

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

SHURE INCORPORATED, and )  
SHURE ACQUISITION HOLDINGS, INC. )

Plaintiffs, )

v. )

CLEARONE, INC., )

Defendant. )

C.A. NO. 19-1343 (RGA) (CJB)

**JURY TRIAL DEMANDED**

**PUBLIC VERSION FILED: October 22, 2019**

**PLAINTIFFS' OPPOSITION TO DEFENDANT'S  
MOTION TO TRANSFER VENUE**

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**EXHIBIT LIST**

<b><u>Exhibit</u></b>	<b><u>Description</u></b>
Exhibit A	Complaint, <i>Shure Inc. v. ClearOne, Inc.</i> , No. 1:17-cv-03078 (N.D. Ill.)
Exhibit B	Answer & Counterclaims, <i>Shure Inc. v. ClearOne, Inc.</i> , No. 1:17-cv-03078 (N.D. Ill.)
Exhibit C	Complaint, <i>ClearOne, Inc. v. Shure Inc.</i> , No. 1:19-cv-02421 (N.D. Ill.)
Exhibit D	CLEARONE, <i>Contact Us</i> , <a href="https://clearone.com/contact_us">https://clearone.com/contact_us</a>
Exhibit E	CLEARONE, Form 10-K, available at <a href="https://www.sec.gov/Archives/edgar/data/840715/000143774919007187/clro20181231_10k.htm">https://www.sec.gov/Archives/edgar/data/840715/000143774919007187/clro20181231_10k.htm</a>
Exhibit F	CLEARONE, Certificate of Incorporation, available at <a href="https://www.sec.gov/Archives/edgar/data/840715/000143774918018953/ex_126578.htm">https://www.sec.gov/Archives/edgar/data/840715/000143774918018953/ex_126578.htm</a>
Exhibit G	Declaration of Mr. James Schanz (Filed Under Seal)
Exhibit H	U.S. COURTS, <i>Federal Court Management Statistics</i> (June 2019), available at <a href="https://www.uscourts.gov/sites/default/files/data_tables/fcms_na_distcomparison0630.2019.pdf">https://www.uscourts.gov/sites/default/files/data_tables/fcms_na_distcomparison0630.2019.pdf</a>

Despite enjoying the privileges of incorporating in Delaware, ClearOne now complains that Delaware poses a grave inconvenience. ClearOne protests<sup>1</sup> that it would be more practical to try this case in a state where one apparently irrelevant employee works from a garage. Nothing about this argument is sound, and Delaware law rejects it. ClearOne's motion should be denied.

## **I. STAGE OF THE PROCEEDINGS**

Shure filed its original complaint on July 18, 2019. D.I. 1. Rather than answer for its conduct, ClearOne took to motion practice, filing motions to stay (D.I. 13) and dismiss (D.I. 11). Shure amended its complaint on September 9, adding new allegations of ClearOne's misconduct occurring after the original complaint. D.I. 19. In response, ClearOne escalated its motion practice, seeking to dismiss the amended complaint (D.I. 22), stay discovery (D.I. 27), and transfer the action (D.I. 30). Shure has opposed those motions. D.I. 20, 39, 40. It does so again here.

## **II. SUMMARY OF ARGUMENT**

ClearOne's motion fails to show why transfer is warranted. First, Shure could not have brought this action in N.D. Illinois. Contrary to ClearOne's contentions, N.D. Illinois does not have supplemental jurisdiction over Shure's asserted patent claim because it does not share a "common nucleus" of facts with ClearOne's own patent assertions in Illinois. The parties' respective patent suits involve different patents, inventors, products, infringing acts, defenses, and damages. In addition, ClearOne falls far short of proving how the home of a lone employee storing products in one-third of his garage is an "established place of business" for ClearOne's global firm.

Undeterred, ClearOne next declares that it is more convenient to litigate this case in a state where one employee works at home rather than its state of incorporation. To make this implausible

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<sup>1</sup> ClearOne's motion is overlength. The Local Rules require double-spacing (D. Del. LR 7.1.3), resulting in 23 uninterrupted lines per page. ClearOne's motion contains 27 uninterrupted lines per page, resulting in 3.5 ( $\approx 20 \times 4/23$ ) excess pages. *Compare, e.g.,* D.I. 30, *with* D.I. 22, *and* D.I. 40.

claim, ClearOne ignores decades of this Court’s jurisprudence and incants facts having no bearing on its plea. A cursory dive into the operative law reveals the flaws of ClearOne’s argument: having chosen to incorporate in Delaware, ClearOne is answerable to its courts. ClearOne’s overreliance on unrelated cases in Illinois is no cause for transfer. ClearOne’s motion should be denied.

### III. STATEMENT OF FACTS

ClearOne offers longwinded explanations of the parties’ prior dealings despite their limited impact on the issues here. The facts are simple. In 2017, Shure sought declaratory judgment of noninfringement of ClearOne’s U.S. Patent No. 9,635,186 (“the ’186 patent”) in N.D. Illinois. Ex. A. ClearOne counterclaimed, alleging infringement of the ’186 patent and U.S. Patent No. 9,813,806. Ex. B. ClearOne also sought a preliminary injunction preventing Shure from selling its MXA910 product, clearing the way for ClearOne’s BMA product (*not* the accused BMA CT here). Prior to any operative rulings from the Court, ClearOne falsely stated to Shure’s customers, among other things, that the MXA910 had been found to infringe ClearOne’s patents, that such rulings were “unanimous,” and that ClearOne had “won” its suit against Shure. *E.g.*, D.I. 19, ¶ 20. Those statements form part of the basis of Shure’s nonpatent claims here. Shure’s nonpatent claims are also based on a false and misleading letter issued by a ClearOne employee. *Id.*, ¶¶ 21-25.

In April 2019, ClearOne filed a separate action in Illinois alleging *inter alia* infringement of ClearOne’s U.S. Patent No. 9,264,553 (“the ’553 patent”) by the MXA910. Ex. C. At no time in either case did Shure allege infringement of U.S. Patent No. 9,565,493 (“the ’493 patent”), asserted here. Nor was ClearOne’s BMA CT product (accused here) ever at issue in Illinois.

### IV. LEGAL STANDARDS

District courts may transfer civil actions to other districts where the actions might have been brought. 28 U.S.C. § 1404(a). This inquiry has two steps. First, courts determine whether the suit could have been brought in the proposed transferee forum. *David & Lily Penn, Inc. v.*



*TruckPro, LLC*, No. 18-1681, 2019 WL 4671158, at \*2 (D. Del. Sept. 25, 2019). If so, the court considers whether transfer is appropriate using the private and public interest factors set forth in *Jumara v. State Farm Ins. Co.*, 55 F.3d 873 (3d Cir. 1995). *TruckPro*, 2019 WL 4671158, at \*2; *Genentech, Inc. v. Amgen, Inc.*, No. 17-1407, 2018 WL 503253, at \*2, \*5 (D. Del. Jan. 22, 2018).

The burden of establishing a need for transfer rests on the movant. *E.g.*, *Jumara*, 55 F.3d at 879. Transfer is proper only when the balance of interests is “strongly in favor of [the] defendant.” *Shutte v. Armco Steel Corp.*, 431 F.2d 22, 25 (3d Cir. 1970); *TruckPro*, 2019 WL 4671158, at \*2, \*5. Courts thus deny transfer if the *Jumara* factors balance evenly or slightly favor transfer. *See, e.g.*, *TruckPro*, 2019 WL 4671158, at \*2; *Genentech*, 2018 WL 503253, at \*6.

## V. ARGUMENT

The Court should deny ClearOne’s motion. ClearOne has not shown how this action could have been brought in N.D. Illinois, and the balance of convenience factors disfavors transfer.

### A. Transfer Is Inappropriate Because This Action Could Not Have Been Brought in the Northern District of Illinois

ClearOne asserts N.D. Illinois could have heard Shure’s claims as either (1) counterclaims<sup>2</sup> under supplemental jurisdiction or (2) a separate action. D.I. 30, at 8. Both arguments fail.

#### 1. N.D. Ill. Could Not Apply Supplemental Jurisdiction Over This Case

ClearOne first alleges that Shure could have brought this case in N.D. Illinois through counterclaims to ClearOne’s infringement action there. D.I. 30, at 8-9. According to ClearOne, N.D. Illinois has supplemental jurisdiction over Shure’s claims because they share a “common nucleus of operative facts” with ClearOne’s patent infringement suit. *Id.*

ClearOne is wrong. In the Seventh Circuit, claims have a “common nucleus of operative

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<sup>2</sup> In passing, ClearOne incorrectly frames Shure’s claims as compulsory counterclaims in the N.D. Illinois suit. D.I. 30, at 8 (referencing D.I. 11, 22). But Shure’s claims do not arise out of the same transaction or occurrence as ClearOne’s 2019 suit, making them noncompulsory. *See* D.I. 40.

facts” when they share “the same witnesses, transactions and evidence.” *Alexander v. Somer*, No. 1-C-1908, 2002 WL 31557607, at \*9 (N.D. Ill. Nov. 18, 2002); *see also, e.g., McGrath v. Zenith Radio Corp.*, 651 F.2d 458, 464 (7th Cir. 1981) (requiring “the same set of events” and “the same evidence”). Shure’s claims here do not involve the same arguments, transactions, or evidence as ClearOne’s patent infringement suit, making supplemental jurisdiction inapplicable. *See Escobedo v. Oswego Junction Enters.*, No. 17-cv-0682, 2017 WL 3130643, at \*3 (N.D. Ill. July 24, 2017) (finding no common nucleus when the “two causes of action do not require the same factual or legal arguments, and would not rely on the same evidence”).

ClearOne’s 2019 Illinois infringement case asks whether Shure’s MXA910 product infringes ClearOne’s ’553 patent. That case will thus involve evidence on Shure’s MXA910 product, testimony from ClearOne’s inventors, and constructions of claim terms in the ’553 patent. The case at bar addresses none of these issues. Rather, Shure’s infringement allegations here draw from evidence of ClearOne’s BMA CT product (not Shure’s MXA910), testimony from Shure’s inventors (not ClearOne’s), and constructions of Shure’s ’493 patent (not ClearOne’s ’553). Beyond their mere status as patent cases between competitors, the claims have virtually nothing to do with each other. Supplemental jurisdiction does not exist in these circumstances. *See Escobedo*, 2017 WL 3130643, at \*3; *see also Lyon v. Whisman*, 45 F.3d 758, 763 (3d Cir. 1995) (finding no supplemental jurisdiction due to “little overlap between the evidence relevant to the . . . claims”).

Shure’s nonpatent claims stand even further afield. These claims stem from false statements made by ClearOne’s agents about Shure’s MXA910 and its availability, not the Illinois cases. D.I. 19, ¶¶ 42-70. The false statements share no common nucleus with Shure’s infringement action (which involves patent law and products),<sup>3</sup> let alone ClearOne’s distinct infringement suit

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<sup>3</sup> Shure’s state law claims share a common nucleus with Shure’s Lanham Act claim, making supplemental jurisdiction proper for them in *this* case. *See, e.g., D.I. 19, ¶ 12.*

asserting a different patent against a different product (not false statements by its agents). No common nucleus exists. *See Lyon*, 45 F.3d at 763; *Escobedo*, 2017 WL 3130643, at \*3.

ClearOne tries to gloss over these differences by irrelevantly framing the parties' patents as "relat[ing] to the same technology." D.I. 30, at 9. This overbroad generalization misses the point. The parties' claims will not "require the same factual or legal arguments" or "rely on the same evidence" merely because different patents implicate similar technology. *Escobedo*, 2017 WL 3130643, at \*3. Among other things, the claims involve different patents ('553 vs. '493), accused products (MXA910 vs. BMA CT), accused parties, alleged infringing acts, and inventors. These many differences preclude a common nucleus of operative facts. *Id.*; *Lyon*, 45 F.3d at 763.

Unable to show the requisite nexus, ClearOne attempts to manufacture one with irrelevant assertions. ClearOne first contends that its '553 patent asserted in Illinois is prior art here. D.I. 30, at 9. But this allegation has no bearing on the jurisdictional analysis. Whether Shure's MXA910 infringes the '553 patent (as alleged in Illinois) has nothing to do with whether, as alleged here, (i) ClearOne's BMA CT infringes the '493 patent or (ii) the '553 patent invalidates the '493 patent. *See Callaway Golf Co. v. Achshnet Co.*, 585 F. Supp. 2d 592, 599 (D. Del. 2008) (finding no supplemental jurisdiction where "the same prior art is being asserted" among various cases).

ClearOne concocts more illusory connections by blurring distinctions between the Illinois cases. ClearOne frames Shure's nonpatent claims as relating to "the N.D. Illinois matters," plural. D.I. 30, at 9. But ClearOne omits how these claims involve false statements about the MXA910 stemming from supposed findings in the 2017 declaratory judgment action and a 2019 IPR ruling—not ClearOne's 2019 infringement case. *See* D.I. 30, at 7-8. This distinction matters: Shure could not have raised its claims as counterclaims in the 2017 case, as the time to amend pleadings has long since passed. *See* D.I. 40. ClearOne acknowledges this reality, urging that Shure could

present its claims only “in the 2019 IL Case.” D.I. 30, at 7. But as discussed above, ClearOne’s false marketplace statements have no nucleus with the 2019 infringement action.

Finally, ClearOne’s supplemental jurisdiction theory fails because it is incomplete. ClearOne nowhere explains how Shure could have asserted its Delaware state law causes of action in Illinois. *See* D.I. 19, ¶¶ 50-70. This omission further bars ClearOne’s motion. Transfer is inappropriate on the basis of supplemental jurisdiction that ClearOne asserts.

## 2. Shure Could Not Have Separately Brought This Case in N.D. Ill.

ClearOne next argues that Shure could have brought this case separately in N.D. Illinois. D.I. 30, at 9-13. But in trying to show how venue is proper there, ClearOne rests its entire theory on a lone employee who stores some ClearOne products in a portion of his garage. *Id.* at 10-13. Relying on *In re Cordis Corp.*, 769 F.2d 733 (Fed. Cir. 1985), ClearOne insists that the employee’s home qualifies as its “place of business” under the venue statute, 28 U.S.C. § 1400(b). *Id.*

ClearOne’s reliance on *Cordis* is misplaced. The Federal Circuit’s recent decision *In re Cray, Inc.*, 871 F.3d 1355 (Fed. Cir. 2017) substantially narrows *Cordis* and confirms how Mr. Mergens’ home is not a “regular and established place of business” for venue purposes. Indeed, *Cray* questioned *Cordis*’ applicability to venue questions in the wake of *TC Heartland v. Kraft Foods Grp. Brands, Inc.*, 137 S. Ct. 1514 (2017), vacating a district court’s “misplaced reliance” on *Cordis* for venue matters.<sup>4</sup> *See Cray*, 871 F.3d at 1359 (doubting *Cordis*’s “scope and effect” when *Cordis* did not “evaluate venue in light of the statutory language of § 1400(b)”).

Under *Cray*, an established place of business must be one “*of the defendant*,” not solely a place of the defendant’s employee.” *Id.* at 1363. A home office belongs to the defendant when the defendant owns, leases, or otherwise exercises possession or control over it. *Id.* Such control may

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<sup>4</sup> ClearOne appears to concede that it does not “reside[]” in Illinois under § 1400(b). ClearOne resides only in its state of incorporation, Delaware. *TC Heartland*, 137 S. Ct. at 1520-21.

exist when the defendant “condition[s] employment” on an employee’s continued residence in the district. *Id.* Employees who can move homes “without the approval of the defendant” cut against the employee’s home serving as the defendant’s established place of business. *Id.*

ClearOne cites *Cray* for general propositions of law but never confronts its core holding. D.I. 30, at 10-11. Instead, ClearOne waves at disparate facts failing to establish venue under *Cray*.

*First*, ClearOne avers that Mr. Mergens’ employment is “based on” his proximity to the Midwest region. *See* D.I. 30, at 12; D.I. 34, ¶ 5. But ClearOne never proves it “conditioned” Mr. Mergens’ employment on his “residence in the district.” *Cray*, 871 F.3d at 1363, 1365; *see also Novartis Pharm. Corp. v. Accord Healthcare Inc.*, No. 18-1043, 2019 WL 2502535, at \*4-5 (D. Del. June 17, 2019). Nor does ClearOne show it “played a part in selecting the place’s location” of Mr. Mergens’ home. *Cray*, 871 F.3d at 1365; *Novartis*, 2019 WL 2502535, at \*4 n.6.

*Second*, ClearOne makes much of the inventory allegedly stored in Mr. Mergens’ garage. D.I. 30, at 11; D.I. 34, ¶¶ 3-4. But nowhere does ClearOne state it “conditioned [his] employment” on this storage. *Cray*, 871 F.3d at 1363. Nor does it “own[], lease[], or rent[] any portion of Mr. [Mergens’] home” for this purpose. *Id.* at 1365; *Novartis*, 2019 WL 2502535, at \*4 n.6.

*Third*, ClearOne couches Mr. Mergens’ location as “important” to the company. D.I. 30, at 12; D.I. 34, ¶¶ 5-6. But it is apparently not “important” enough to “list[] the alleged place of business on a website.” *Cray*, 871 F.3d at 1363. Instead, ClearOne’s website depicts offices in Utah, Texas, Florida, Spain, the U.A.E., India, China, and Hong Kong. Ex. D. Illinois is not on the map. *Id.* Nor was it mentioned to the SEC. Ex. E, at 28. And even if it were “important” to conduct business in the Midwest, “that fact, without more, is not sufficient to make [Mergens’ home] a location of [ClearOne’s] regular and established business.” *Novartis*, 2019 WL 2502535, at \*4-5. While ClearOne may encourage Mr. Mergens to live in Illinois and enjoy that choice, doing so

does not “transform [his] chosen abode into a regular and permanent” place of ClearOne. *Id.*

*Fourth*, ClearOne emphasizes how Mr. Mergens “submits reimbursement requests” for office supplies and internet expenses. D.I. 30, at 12; D.I. 34, ¶ 7. But because ClearOne reimburses Mr. Mergens from outside Illinois, “all expense reimbursements . . . [come] from outside the district,” rendering them irrelevant. *Cray*, 871 F.3d at 1364-65; *see also Novartis*, 2019 WL 2502535, at \*5 (rejecting the same reimbursement argument). Nor does ClearOne show these payments were “conditioned on any particular employee location.” *Cray*, 871 F.3d at 1364-65.

*Fifth*, ClearOne overstates the importance of Mr. Mergens’ Chicago phone number. D.I. 30, at 12-13; D.I. 34, ¶¶ 7-8. As a resident near Chicago, one would expect him to have a Chicago area code. This unremarkable fact “indicate[s] at most that he conduct[s] business from [Illinois], not that [ClearOne] established a place of business there.” *Cray*, 871 F.3d at 1365-66.

*Sixth*, Mr. Mergens’ use of ClearOne’s name on a shipping label does not mean ClearOne controls his home. D.I. 30, at 13; D.I. 34, ¶ 9. ClearOne never shows that it required Mr. Mergens to do so, ratified the home as its own, or explains how a shipping label transforms a home into ClearOne’s place of business. *See Cray*, 871 F.3d at 1363; *Novartis*, 2019 WL 2502535, at \*5.

Beyond falling short in its affirmative argument, ClearOne’s motion conspicuously omits other considerations pertinent under *Cray*. Unsurprisingly, these facts cut against ClearOne:

- ClearOne never states Mr. Mergens can move residences only “with[] the approval of [ClearOne].” *Cray*, 871 F.3d at 1363; *Novartis*, 2019 WL 2502535, at \*4-5.
- ClearOne does not contend it “place[d] its name on a sign associated with or on” Mr. Mergens’ home. *Cray*, 871 F.3d at 1363-64.
- ClearOne nowhere suggests Mr. Mergens “received secretarial services” from anyone “located within the district.” *Id.* at 1365.
- ClearOne never states it has “any intention to maintain some place of business” in N.D. Illinois should Mr. Mergens “decide[] to terminate [his] residence[.]” *Id.*

- ClearOne never compares Mr. Mergens’ activity with those of other districts. *Id.* at 1364. While Mr. Mergens claims to have generated over \$100 million over sixteen years for his “region” (D.I. 34, ¶ 4), ClearOne does not list all the districts that “region” includes and never compares those figures to other judicial districts.

Even *Cordis*—ClearOne’s only cited authority—is distinguishable. In *Cordis*, the defendant publicly advertised a local secretarial office as its own. *Cray*, 871 F.3d at 1365. The city telephone directory listed the secretary’s phone number and address as the defendant’s. *Cordis*, 769 F.2d at 735. ClearOne has done none of these things. ClearOne does not employ a secretarial service in N.D. Illinois, has not shown telephone directories listing ClearOne as present there, and has not shown how reimbursements to Mr. Mergens are conditioned on his location. *Cray* distinguished *Cordis* on this very basis. *See Cray*, 871 F.3d at 1365. The same result obtains here.

In sum, nothing on this record proves Mr. Mergens’ home “is owned, controlled, or otherwise established by [ClearOne]; that [his] employment is conditioned upon residence is [N.D. Illinois]; or that there is anything to stop [him] from moving out of [N.D. Illinois], at any time [he] wishes, for any reason (without any threat to [his] continued employment by [ClearOne]).” *Novartis*, 2019 WL 2502535, at \*4. Rather than serve as “a place of the defendant,” Mr. Mergens’ home is unquestionably “solely a place of the defendant’s employee.” *Cray*, 871 F.3d at 1363. Venue is improper on such facts. So too is transfer. *See GE Healthcare Bio-Scis. AB v. Bio-Rad Labs.*, No. 18-1899, 2019 WL 1985183, at \*1-2 (D. Del. May 6, 2019).

## **B. The Balance of Interests Does Not Strongly Favor Transfer**

ClearOne’s motion fails for a second reason. Even if Shure could have brought its claims in N.D. Illinois (it could not), the *Jumara* convenience factors disfavor transfer. “Unless the balance is strongly in favor of a transfer, the plaintiff’s choice of forum should prevail.” *Cisco Sys. Inc. v. GPNE Corp.*, No. 07-671, 2008 WL 1758866, at \*1 (D. Del. Apr. 17, 2008) (quoting *ADE Corp. v. KLA-Tencor Corp.*, 138 F. Supp. 2d 565, 567-58 (D. Del. 2001)).

# **1. The Relevant Private Interests Weigh Against Transfer**

Under *Jumara*, courts must balance the following private interests: (1) plaintiff’s choice of forum, (2) defendant’s choice of forum, (3) where the claim arose, (4) convenience of the parties, (5) convenience of witnesses, but only insofar as they are unavailable for trial, and (6) location of books and records, but only insofar as they cannot be produced. *Jumara*, 55 F.3d at 879. As shown below, the net balance of these factors weighs against transfer.

## **a. Plaintiff’s Choice of Forum Strongly Disfavors Transfer**

Shure’s selection of Delaware as its chosen forum weighs strongly against transfer. Courts accord a plaintiff’s choice of forum “paramount consideration.” *Shutte*, 431 F.2d at 25; *RealTime Data LLC v. Fortinet, Inc.*, No. 17-1635, 2018 WL 5630587, at \*5-6 (D. Del. Oct. 31, 2018). This choice “should not be lightly disturbed.” *Shutte*, 431 F.2d at 25; *Graphics Props. Hldgs. Inc. v. Asus Comput. Int’l*, 964 F. Supp. 2d 320, 328 (D. Del. 2013).

Unable to upend the primary of Shure’s choice, ClearOne appeals to irrelevant authority. ClearOne cites *Sinochem Int’l Co. v. Malaysian Int’l Shipping Corp.*, 549 U.S. 422 (2007) and *In re Link\_A\_Media Devices Corp.*, 662 F.3d 1221 (Fed. Cir. 2011) for their articulation of the so-called “home-turf” rule. This rule suggests that a plaintiff’s forum choice applies with “less force” when litigating outside its home turf. *See* D.I. 30, at 16.

The first problem with this argument is that this Court has already rejected it. In *RealTime*, this Court held that *Sinochem* and *Link\_A\_Media* “apply only when the plaintiff . . . is a non-United States company.” 2018 WL 5630587, at \*5-6. This is so, the Court explained, because both cases involved foreign entities and dismissals under *forum non conveniens*—not transfers under § 1404(a). *Id.* Here, Shure is a U.S. company (D.I. 19, ¶¶ 3-4), and ClearOne seeks transfer under § 1404(a) (D.I. 30). ClearOne’s cases are inapposite. *RealTime*, 2018 WL 5630587, at \*5-6.

Other cases tell the same story. This Court has consistently explained how the home-turf



rule has “no independent significance as to the overall *Jumara* balance of convenience analysis, nor to the analysis regarding this first *Jumara* factor.” *Genentech*, 2018 WL 503253, at \*3 (quoting *Elm 3DS Innovations LLC v. SK Hynix Inc.*, No. 14-1432, 2015 WL 4967139, at \*4 n.6 (D. Del. Aug. 20, 2015)); *see also VLSI Tech. LLC v. Intel Corp.*, No. 18-966, 2018 WL 5342650, at \*5-6 (D. Del. Oct. 29, 2018); *Tessera, Inc. v. Broadcom Corp.*, No. 16-379, 2017 WL 1065865, at \*4 n.6 (D. Del. Mar. 21, 2017) (citing *Pragmatus AV, LLC v. Yahoo! Inc.*, No. 11-902, 2012 WL 4889438, at \*5 (D. Del. Oct. 15, 2012), *adopted in* 2013 WL 174499 (D. Del. Jan. 16, 2013))).

While some cases from this District mention the “home turf” rule, they still hasten to give “substantial weight” to the plaintiff’s forum when a “legitimate, rational reason” exists for litigating there. *See, e.g., TruckPro*, 2019 WL 4671158, at \*2-3; *Intellectual Ventures I LLC v. Altera Corp.*, 842 F. Supp. 2d 744, 754 (D. Del. 2012). Several such legitimate reasons apply here. *First*, courts universally acknowledge the legitimacy of suing Delaware corporations in Delaware, as jurisdiction and venue are assured. *See, e.g., TruckPro*, 2019 WL 4671158, at \*3; *Genentech*, 2018 WL 503253, at \*3; *Altera*, 842 F. Supp. 2d at 754; *Pragmatus*, 2012 WL 4889438, at \*5-6. ClearOne is a Delaware corporation. D.I. 30, at 6. *Second*, Delaware is a legitimate venue when infringing acts take place in the state. *See, e.g., Altera*, 842 F. Supp. 2d at 754. ClearOne has committed acts of infringement here. D.I. 19, ¶¶ 9, 11, 13, 30-32. *Third*, Delaware courts have expressed how their “experience with patent litigation” makes Delaware a legitimate forum for patent infringement suits. *See Tessera*, 2017 WL 1065865, at \*5. This case involves patent infringement allegations, D.I. 19, ¶¶ 26-41, making Delaware a legitimate forum.

Thus, whether this Court gives Shure’s forum choice “paramount” or “substantial” weight is largely an academic exercise. The result is the same: this factor strongly disfavors transfer.

#### **b. Defendant’s Choice of Forum Favors Transfer**

ClearOne’s forum choice favors transfer. But ClearOne’s preference “receives less weight

than [Shure's]." *TruckPro*, 2019 WL 4671158, at \*3; *Genentech*, 2018 WL 503253, at \*3 (defendant's forum does not "displace" plaintiff's). And if a party's home turf matters—it does not, but ClearOne thinks so—N.D. Illinois is not ClearOne's home, making it even less apt.

**c. Where the Claims Arose Is Neutral**

This factor is neutral. "[W]here a [defendant] operates on a national or global scope, this factor is generally neutral." *Schubert v. OSRAM AG*, No. 12-923, 2013 WL 587890, at \*4 (D. Del. Feb. 14, 2013); *Genentech*, 2018 WL 503253, at \*4 ("[W]hen the defendant operates on a national or global scale, . . . this factor is neutral."); *Smart Audio Techs. v. Apple, Inc.*, 910 F. Supp. 2d 718, 730 (D. Del. 2012); *Round Rock Research LLC v. Dell, Inc.*, 904 F. Supp. 2d 374, 376 (D. Del. 2012) (giving "no weight" to national sales). ClearOne is a global company operating throughout the U.S. and the world. D.I. 19, ¶¶ 8-9, 13, 30-32, 37-39; Ex. D (showing offices in the U.S., Spain, U.A.E., India, China, and Hong Kong); Ex. E, at 28 (same). That fact controls this analysis.

ClearOne's motion does not disturb this conclusion. Despite ClearOne stressing how Shure's inventive activity occurred in Illinois, D.I. 30, at 17-18, this Court does not recognize "inventive activity" as impacting the *Jumara* balancing. *See Schubert*, 2013 WL 587890, at \*4 ("[T]hat the patent-in-suit may have some other connection to a particular state is irrelevant."). Next, ClearOne alleges that it sold more accused products (*three*) in N.D. Illinois than Delaware. D.I. 30, at 17. But this too is immaterial. As ClearOne's own authority explains, this factor "focuses on the location of the production, design and manufacture of the accused instrumentalities," not their location of sale. *Elm*, 2015 WL 4967139, at \*6; *see also Genentech*, 2018 WL 503253, at \*4; *Schubert*, 2013 WL 587890, at \*4. ClearOne's irrelevant facts fail to overcome its global presence. *See, e.g., Realtime Adaptive Streaming LLC v. Netflix, Inc.*, No. 17-1692, 2018 WL 4941785, at \*7 (D. Del. Oct. 12), *adopted in* 2018 WL 5886172 (D. Del. Nov. 9, 2018) (ruling this factor neutral when accused products "are sold and used nationwide and globally," despite being

developed in the transferee forum); *Schubert*, 2013 WL 587890, at \*4.

Perhaps sensing this result, ClearOne next contends that it “designed and developed” the accused product in Utah. D.I. 30, at 18. But Utah is not the proposed transferee forum—N.D. Illinois is. Nor does production take place in Illinois—it occurs in China. Ex. E, at 28. Acts transpiring outside the transferor and transferee fora receive little to no weight. *See TruckPro*, 2019 WL 4671158, at \*3; *Schubert*, 2013 WL 587890, at \*4. ClearOne’s global presence continues to govern this factor. *See, e.g., Netflix*, 2018 WL 4941785, at \*7; *Schubert*, 2013 WL 587890, at \*4.

ClearOne concludes by making irrelevant points about Shure’s nonpatent claims. ClearOne first tries to link the claims to Illinois because they involve misstatements about Shure’s MXA910 at issue there. *Id.* But as ClearOne knows, Shure’s nonpatent claims arise where ClearOne made false statements, not where N.D. Illinois sits. D.I. 30, at 18. This consideration is neutral. ClearOne next asserts that it sent Mr. Narayanan’s false letter to individuals in Illinois and not Delaware. *Id.* But ClearOne conspicuously omits describing *every other location* where it sent the letter. *See* D.I. 33, ¶ 5. ClearOne’s incomplete and self-serving declaration fails to establish how Shure’s nonpatent claims arose in Illinois relative to other districts. *See Schubert*, 2013 WL 587890, at \*4.

ClearOne ends by contradicting itself. ClearOne dismisses Shure’s nonpatent claims based on statements by ClearOne’s Georgia-based employee because they have “no connection” to N.D. Illinois or Delaware. D.I. 30, at 18. But just one paragraph ago, ClearOne argued that transfer was warranted because N.D. Illinois is closer to Utah (where the BMA CT was allegedly developed) than to Delaware—despite such development having “no connection” to either forum. *Id.* In other words, proximity matters when it helps ClearOne, but not when it helps Shure. *Id.* ClearOne cannot have it both ways. While Shure agrees that acts outside Illinois and Delaware do not generally

impact this factor,<sup>5</sup> *see TruckPro*, 2019 WL 4671158, at \*3, ClearOne’s flip-flop is unavailing.

**d. The Convenience of the Parties Disfavors Transfer**

This factor disfavors transfer. As Delaware courts have long held, “absent some showing of a unique or unexpected burden, a company should not be successful in arguing that litigation in its state of incorporation is inconvenient.” *ADE*, 138 F. Supp. 2d at 573; *see, e.g., Netflix*, 2018 WL 4941785, at \*4; *Auto. Techs. Int’l v. Am. Honda Motor Co.*, No 06-187, 2006 WL 3783477, at \*2 (D. Del. Dec. 21, 2006) (“[H]aving received the benefits of Delaware incorporation, a Defendant cannot now complain that another corporation has chosen to sue it here.”); *Tsoukanelis v. Country Pure Foods, Inc.*, 337 F. Supp. 2d 600, 604 (D. Del. 2004); *Wesley-Jessen Corp. v. Pilkington Visioncare, Inc.*, 157 F.R.D. 215, 218 (D. Del. 1993). ClearOne has not met this charge.

ClearOne first argues on Shure’s behalf, insisting that litigating here is inconvenient for Shure. D.I. 30, at 19. This argument should not be heard. “[T]he best indicator of a plaintiff’s own convenience is the plaintiff’s own choice of forum.” *Tessera, Inc. v. Sony Elecs. Inc.*, No. 10-838, 2012 WL 1107706, at \*4 (D. Del. Mar. 30, 2012). Shure’s choice of forum speaks for itself.

ClearOne then complains about a half-hour difference in flights from Utah to Illinois and Delaware. D.I. 30, at 19. Aside from being *de minimis*, this assertion has no force. “[A] flight to Delaware is not an onerous task warranting transfer.” *Auto. Techs.*, 2006 WL 3783477, at \*2; *Truth Hardware Corp. v. Ashland Prods.*, No. 02-1541, 2003 WL 118005, at \*2 (D. Del. Jan. 13, 2003).

Invoking *Contour IP Holding, LLC v. GoPro, Inc.*, No. 15-1108, 2017 WL 3189005 (D. Del. July 6, 2017), ClearOne’s only response is that its status as a Delaware corporation is not dispositive. But the peculiar facts in *Contour* are precisely the type of “unique” circumstances

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<sup>5</sup> As discussed below, Shure’s nonpatent claims also arose in states such as PA, MD, and NC—all of which are closer to DE than IL. *See* Ex. G, ¶ 4. They also arose in states like TX and OH, further evincing ClearOne’s national reach. *Id.* This factor is neutral for national companies.

absent here. In *Contour*, this Court transferred a case to the defendant’s headquarters when the plaintiff harassed the defendant with *identical actions* in multiple districts and misled the Court. *Id.* at \*6-8. Though the defendant’s Delaware status provided a reason to keep the suit (*id.* at \*10-11), the Court found that plaintiff was “playing wasteful games with venue” and transferred the case. *Id.* at \*8. No such “unique” plight exists here. ClearOne’s peripheral point on dispositiveness thus fails to rebut how it “agree[d] to submit itself to the jurisdiction of the courts in this state for the purposes of resolving [patent] dispute[s].” *ADE*, 138 F. Supp. 2d at 572; *Netflix*, 2018 WL 4941785, at \*4. Indeed, ClearOne consents to the Delaware Court of Chancery for certain kinds of lawsuits in its Certificate of Incorporation. *See* Ex. F, at 3 (Art. X). It is incongruent for ClearOne to complain about the burden of litigating here when its own founding documents consent to it.

Lastly, ClearOne’s comparison of the parties’ revenues misses the point. D.I. 30, at 19. This factor aims to protect “truly regional” companies from being hauled into distant courts. Transfer is otherwise improper. *Netflix*, 2018 WL 4941785, at \*4 (“Unless the defendant is truly regional in character—that is, it operates essentially exclusively in a region that does not include Delaware—transfer is almost always inappropriate.”); *Cisco*, 2008 WL 1758866, at \*2. ClearOne is not a “regional” company in any sense of the word. It is a global enterprise with offices spanning several continents. Ex. D; Ex. E, at 28. Thus, “[d]espite the relatively larger financial resources of [Shure], [ClearOne] has sufficient resources to defend a lawsuit in Delaware—the jurisdiction in which it chose to incorporate—just as it has the resources to support employees and sales efforts in multiple countries.” *Autodesk Can. Co. v. Assimilate, Inc.*, No. 08-587, 2009 WL 3151026, at \*8 (D. Del. Sept. 29, 2009); *see VLSI*, 2018 WL 5342650, at \*6, *Wesley-Jessen*, 157 F.R.D. at 218.

#### **e. Convenience of Nonparty Witnesses Is Neutral**

This factor is neutral. ClearOne’s focus on the mere *location* of witnesses disregards the purpose of this *Jumara* factor. D.I. 30, at 19-20. This factor gauges only the extent to which

“witnesses may actually be unavailable for trial.” *Jumara*, 55 F.3d at 879; *see Netflix* 2018 WL 4941785, at \*5; *VLSI*, 2018 WL 5342650, at \*7; *Smart Audio*, 910 F. Supp. 2d at 732.

ClearOne’s analysis on the convenience of party witnesses falls apart upon minimal examination. “Party witnesses or witnesses who are employed by a party carry no weight in the ‘balance of convenience’ analysis.” *Altera*, 842 F. Supp. 2d at 756-57; *see TruckPro*, 2019 WL 4671158, at \*4; *Netflix*, 2018 WL 4941785, at \*5; *Realtime*, 2018 WL 5630587, at \*7.

ClearOne’s ensuing list of nonparty witnesses also fails to move the needle. While ClearOne states that it is unaware of third-party witnesses in Delaware, “[t]his is not the proper inquiry and is insufficient for this factor to weigh in favor of transfer.” *Netflix*, 2018 WL 4941785, at \*5. Instead, “this factor is neutral” unless ClearOne establishes “necessary witnesses [who] will refuse to appear in Delaware for trial without a subpoena.” *Realtime*, 2018 WL 5630587, at \*7; *see also TruckPro*, 2019 WL 4671158, at \*4. It has not done so. No witness identified by ClearOne has given any indication of refusing to come to Delaware. In any event, the “practical impact” of this factor is “limited” given that so few cases go to trial. *Pragmatus*, 2012 WL 4889438, at \*10.

Finally, ClearOne has made misrepresentations like those undergirding this lawsuit to companies in Illinois, Texas, Ohio, North Carolina, Pennsylvania, and Maryland. Ex. G, ¶ 4. While some of these companies are closer to N.D. Illinois, those in NC, PA, and MD are closer to Delaware. Shure is unaware of any witness unwilling to come to trial. This factor remains neutral.

#### **f. The Location of Evidence Is Neutral**

This factor is neutral. Shure initially notes how this Court has “repeatedly recognized that technological advances have reduced the weight of this factor.” *Netflix*, 2018 WL 4941785, at \*4 (citing cases). Thus, this factor has little impact on the *Jumara* balance.

On the merits, ClearOne again tries to usurp Shure’s convenience for its own benefit, *see* D.I. 30, at 20, but “the best indicator of a plaintiff’s own convenience is the plaintiff’s own choice

of forum.” *Sony*, 2012 WL 1107706, at \*4. ClearOne’s only remaining argument is that some documents have already been produced in N.D. Illinois and others are located closer to that district. D.I. 30, at 20. That is not the question *Jumara* asks. Rather, this factor is “limited to the extent that the files could not be produced in the alternative forum.” *Jumara*, 55 F.3d at 879. Here, ClearOne has not identified a single document unproducible in Delaware. Indeed, ClearOne’s assertion that some documents have already been produced in Illinois refutes any claim of hardship in reproducing them here.<sup>6</sup> This Court has ruled this factor neutral when defendants “do[] not suggest that it would be difficult to produce these documents in Delaware.” *Autodesk*, 2009 WL 3151026, at \*8; *see VLSI*, 2018 WL 5342650, at \*7; *Tsoukanelis*, 337 F. Supp. 2d at 604 (denying transfer when the movants did not identify documents “unavailable for trial”); *Ace Capital v. Varadam Found.*, 392 F. Supp. 2d 671, 676 (D. Del. 2005) (same). The Court should do the same here.

## **2. The Relevant Public Interests Weigh Against Transfer**

The relevant *Jumara* public interests include: (1) practical considerations, (2) court congestion, (3) local interests, and (4) public policy. *Jumara*, 55 F.3d at 879-880. The other factors are neutral. Like the private interests, the net balance of these factors weighs against transfer.

### **a. The Practical Considerations Are Neutral**

ClearOne makes two points in its attempt to show how this factor “heavily” favors transfer. D.I. 30, at 14-15. But both points vastly overstate the judicial economy transfer allegedly achieves. Instead, this factor is neutral—N.D. Illinois may have some experience tangential and unrelated to the issues here, but Delaware courts have a better understanding of their own state law.

ClearOne summarily avers that N.D. Illinois has acquired an “extensive understanding” of the companies’ products and technology. *Id.* But ClearOne overlooks how N.D. Illinois has not

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<sup>6</sup> Should any hardship exist, Shure would stipulate to using such documents from Illinois here.

developed familiarity with any of the issues pertinent to *this case*. For example, N.D. Illinois’ prior constructions on ClearOne’s patents (D.I. 30, at 3) does not give it mastery of Shure’s ’493 patent asserted here. Nor has N.D. Illinois amassed experience with the accused product here—the BMA CT. *See* D.I. 19, ¶¶ 30-39. Instead, the N.D. Illinois cases relate to different products—Shure’s MXA910 and ClearOne’s BMA. The BMA (relevant in Illinois) is not accused here, and the BMA CT (relevant here) is not at issue in Illinois. *See* D.I. 19, ¶¶ 30-39. These cases thus involve “different patents, claims, inventors, prosecution histories, and a different set of alleged infringing activities,” offering no judicial economy. *Praxair, Inc. v. ATMI, Inc.*, No. 03-1158, 2004 WL 883395, at \*2 (D. Del. Apr. 20, 2004); *see Genentech*, 2018 WL 503253, at \*5 (“[U]nrelated cases have no weight in the transfer analysis.”); *Auto. Techs.*, 2006 WL 3783477, at \*3. ClearOne tries to salvage its point by arguing that Judge Chang is familiar with his own orders. D.I. 30, at 14-15. But Shure’s nonpatent claims do not require interpreting those orders. Rather, they arise from false statements wrong on their face—e.g., how ClearOne “won” an ongoing case. D.I. 19, ¶ 20.

In a single-sentence argument, ClearOne then declares without citation that it has produced “substantial” documents in N.D. Illinois relevant to this case. D.I. 30, at 15. ClearOne again exaggerates its cause. ClearOne has not produced documents in Illinois relating to its financials or sales conduct relevant here, nor does it argue that its production on the BMA CT in Illinois is exhaustive or complete.<sup>7</sup> ClearOne also overlooks how all of Shure’s relevant documentation and evidence (e.g., inventor testimony) has not been taken or produced in Illinois. Any judicial economy served by transfer is minimal. ClearOne’s cited case *Fuisz Pharma LLC v. Theranos, Inc.*, No. 11-1061, 2012 WL 1820642 (D. Del. May 18, 2012), is inapposite because that case dealt with multidistrict litigation involving the “same patent.” *Id.* at \*16. That is not the case here.

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<sup>7</sup> Again, Shure consents to using ClearOne’s already-produced documents if necessary.



Finally, this Court has a better understanding of Shure’s state law claims than N.D. Illinois. *See, e.g., In re ML-Lee Acquisition Fund II, L.P.*, 816 F. Supp. 973, 979 (D. Del. 1993) (“The courts in this district have stated that it is preferable for the court of the state whose substantive law controls to hear the case.”). ClearOne nowhere addresses this reality, save for a single case applying Delaware law cited in a different section in its motion. D.I. 30, at 14 n.4. One case cannot supplant the hundreds of instances this Court has applied the Delaware Deceptive Practices Act, tortious interference under Delaware law, or common law unfair competition.<sup>8</sup>

**b. The Relative Court Congestion Disfavors Transfer**

This factor disfavors transfer. The most recent Judicial Caseload Profiles show Delaware has a lower median time to civil trial than N.D. Illinois (32.5 to 36.7 months, respectively) and fewer pending cases per judgeship (640 to 755). Ex. H at 14, 47. This Court used the same statistics to deny transfer to N.D. Illinois just last month. *See LoganTree LP v. Omron Healthcare, Inc.*, No. 18-1617, 2019 WL 4538730, at \*8 (D. Del. Sept. 19, 2019). It should do so here.

ClearOne’s statistics miss the point because they refer only to patent cases. D.I. 30, at 16. Patent suits represent only a sliver of all pending cases, and this Court considers the latter more helpful. *LoganTree*, 2019 WL 4538730, at \*8. Further, ClearOne’s statistics are unilluminating insofar as they rely on time to disposition. Time to *trial* is more instructive, disfavoring transfer. *Genentech*, 2018 WL 503253, at \*6 (finding *inter alia* time-to-trial “more illuminating” than time-to-disposition); *Autodesk*, 2009 WL 3151026, at \*8 (using time-to-trial from Judicial Profiles).

**c. The Local Interest in Resolving This Dispute Is Neutral**

This factor is neutral. Contrary to ClearOne’s assertions (*see* D.I. 30, at 15-16), N.D. Illinois has no interest in this patent dispute. “[P]atent issues do not give rise to local controversy

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<sup>8</sup> Shure recognizes that familiarity of state law is relevant for another *Jumara* factor relating to diversity cases. The point here is one of judicial economy—Delaware judges know Delaware law.

or implicate local interests.” *Realtime*, 2018 WL 5630587, at \*8 (quoting *TriStrata Tech. v. Emulgen Labs.*, 537 F. Supp. 2d 635, 643 (D. Del. 2008)); *Smart Audio*, 910 F. Supp. 2d at 733-34 (same); *Altera*, 842 F. Supp. 2d at 760 (same); *Pragmatus*, 2012 WL 4889438, at \*13-14 (same). ClearOne itself concedes Delaware law refutes its out-of-circuit cases. D.I. 30 at 15.

#### **d. Delaware’s Public Policy Disfavors Transfer**

This factor disfavors transfer. ClearOne’s status as a Delaware corporation is a “crucial fact” on the score, as “Delaware clearly has a substantial interest in addressing lawsuits brought against Delaware corporations.” *Autodesk*, 2009 WL 3151026, at \*9. Indeed, this Court routinely affirms Delaware’s interest in deciding actions against its corporations.<sup>9</sup> *E.g.*, *TruckPro*, 2019 WL 4671158, at \*5; *Netflix*, 2018 WL 4941785, at \*7 (“Because [Defendant] is a Delaware corporation, this factor weighs against transfer.”); *Graphics*, 964 F. Supp. 2d at 331 (“[Defendant] is a Delaware corporation. This factor weighs against transfer.”); *Ace*, 392 F. Supp. 2d at 676.

ClearOne tries to renounce Delaware’s public interest by disavowing the privileges of incorporating here. D.I. 30 at 15-16. But the public interest in deciding suits against its corporations belongs to Delaware, not to ClearOne. ClearOne cannot surrender Delaware’s interests. Because this factor concerns *public* interests, ClearOne’s *private* desires (addressed above) carry no weight.

### **3. Balancing the *Jumara* Factors Disfavors Transfer**

As shown above, weighing the private and public factors disfavors transfer. ClearOne has not met its substantial burden of showing how the factors are “strongly in favor of a transfer.” *Realtime*, 2018 WL 5630587, at \*8. Accordingly, Shure’s choice of forum controls. *Id.*

## **VI. CONCLUSION**

For the foregoing reasons, Defendant’s motion to transfer should be denied.

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<sup>9</sup> Some courts invoke this idea under the local interest factor. *E.g.*, *TruckPro*, 2019 WL 4671158, at \*5. Under that framework, the policy factor is neutral and the local factor disfavors transfer.

Dated: October 15, 2019

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# EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

SHURE INCORPORATED

Plaintiff,

v.

CLEARONE, INC.

Defendant.

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Case No. \_\_\_\_\_

**JURY DEMANDED**

**COMPLAINT FOR DECLARATORY JUDGMENT  
OF PATENT NON-INFRINGEMENT AND INVALIDITY**

Plaintiff Shure Incorporated (“Shure”) files this Complaint against Defendant ClearOne, Inc. (“ClearOne”), and respectfully alleges as follows:

**NATURE OF THIS ACTION**

1. This is a declaratory judgment action for non-infringement and invalidity of U.S. Patent No. 9,635,186 and non-infringement of U.S. Patent No. 9,264,553.

**PARTIES**

2. Plaintiff Shure is a corporation organized under the laws of Illinois with a principal place of business at 5800 W. Touhy Avenue, Niles, Illinois 60714.

3. Defendant ClearOne is a corporation organized under the laws of Utah with a principal place of business at 5225 Wiley Post Way, Suite 500, Salt Lake City, UT 84116.

### **JURISDICTION AND VENUE**

4. This action arises under the Patent Laws of the United States, Title 35, United States Code 35 U.S.C. § 1 *et seq.*, and under Title 28, United States Code, Chapter 151, §§ 2201 and 2202, entitled Declaratory Judgments.

5. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201 and/or 2202.

6. This Court has personal jurisdiction over ClearOne in this matter. Among other things, ClearOne regularly and systematically ships and sells its products to customers and through numerous of its dealers and installers located in Illinois and in this District. Moreover, ClearOne sent the communications to Shure giving rise to this matter, as described herein, specifically into Illinois and this District. Based on these and other contacts with Illinois and this District, ClearOne is subject to personal jurisdiction in this District.

7. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b), (c), and/or (d), and/or 1400(b).

### **BACKGROUND**

8. On March 10, 2017, ClearOne, through its counsel, sent a letter to Shure addressed to Christine Schyvinck, Shure's President and CEO (the "ClearOne Letter"). A true and accurate copy of the ClearOne Letter is attached hereto as Exhibit A, and is incorporated herein in its entirety by reference.

9. In the ClearOne Letter, ClearOne asserted that it is the owner and assignee of a certain United States Patent Application No. 15/190,424 (the "424 Application").

10. Further, in the ClearOne Letter, ClearOne indicated to Shure that the '424 Application has been examined and is allowed for issuance as a patent. The ClearOne Letter

referenced and attached a copy of the Notice of Allowance in the ‘424 Application, listing the allowed claims.

11. On April 25, 2017, U.S. Patent 9,635,186 (the “‘186 Patent”) entitled “Conferencing Apparatus That Combines a Beamforming Microphone Array With An Acoustic Echo Canceller” was duly issued by the United States Patent and Trademark Office. The ‘186 Patent is assigned to and is owned by ClearOne.

12. The ‘186 Patent issued and came into full force and effect immediately after 12:00 AM E.D.T. on April 25, 2017.

13. The ‘186 Patent issued and resulted from the ‘424 Application.

14. The allowed and issued claims of the ‘186 Patent are identical to the allowed claims in the ‘424 Application referenced by ClearOne in the ClearOne Letter.

15. The ‘186 Patent claims priority to U.S. Patent 9,264,553 (“the ‘553 Patent”) entitled “Methods and Apparatuses for Echo Cancellation with Beamforming Microphone Arrays.” The ‘186 Patent and the ‘553 Patent are in the same patent family. A true and correct copy of the ‘553 Patent is attached hereto as Exhibit B.

16. Both the ‘186 Patent and the ‘553 Patent claim priority to the same three U.S. provisional patent applications (numbers 61/495,971, 61/495,968 and 61/495,961), all three of which were filed on June 11, 2011.

17. The ‘186 Patent and the ‘553 Patent are directed to the same subject matter of echo cancellation in beam forming microphone arrays. Furthermore, large portions of specification of the ‘186 Patent are identical to the specification of the ‘553 Patent.

18. The claims of the '553 Patent are directed at the same subject matter as the claims of the '186 Patent. However, the claims of the '553 Patent are broader in scope than the claims of the '186 Patent.

19. In the ClearOne Letter, ClearOne (i) accuses Shure of infringement of the allowed claims of the '424 Application, which are now issued in the '186 Patent, (ii) identifies specific Shure® products which it alleges are the infringing devices, (iii) outlines specific conduct attributable to Shure which forms the basis of its infringement allegations, (iv) demands that Shure cease and desist from activities which would infringe upon ClearOne's patent rights, and (v) threatens prompt seeking of injunctive and other relief if ClearOne's rights are not respected. The ClearOne Letter further includes "litigation hold" language demanding that Shure preserve material relevant to the allegations contained therein.

20. In the ClearOne Letter, ClearOne specifically alleges infringement of the allowed claims of ClearOne's '424 Application stating that those claims "cover the Shure/Biamp and Shure/QSC integrated systems" identified elsewhere in the ClearOne Letter.

21. The ClearOne Letter goes on to provide "a detailed claim chart" comparing allowed claim 1 of the '424 Application (which is claim 1 of the '186 Patent) to the accused devices. At the end of the claim chart, ClearOne alleges that each of the accused devices "similarly meets the other independent claims (claim 7, 13, and 19), as well as the dependent claims."

22. Therefore, ClearOne has asserted all of the claims of the '186 Patent against the Shure products identified in the ClearOne Letter.



23. The ClearOne Letter specifically identifies and accuses Shure's Microflex Advance Array Microphone, Shure model MXA910 (the "MXA910") and Shure's IntelliMix P300 signal processor (the "P300") as being infringing devices (the "Accused Shure Products").

24. The ClearOne Letter further accuses Shure of certain other activities which it alleges infringe the '186 Patent, including but not limited to "advertis[ing], and encourag[ing] and instruct[ing] its customers to make and use, integrated systems" (the "Accused Practices") which allegedly infringe the '186 Patent.

25. The ClearOne Letter further accuses Shure of infringement based on (i) the combination of its MXA910 with "acoustic echo cancellation products" from third parties (such as QSC's Q-SYS platform and Biamp's Tesira/TesiraFORTE audio processors and software) (the "Accused Third Party Products"), and (ii) activities by Shure, including the Accused Practices, which ClearOne alleges to be instructing, encouraging, partnering and/or otherwise collaborating with third parties in violation of the '186 Patent.

26. The claim charts provided in the ClearOne Letter expressly accuse the Accused Products, Accused Third Party Products and the Accused Practices of infringing the claims by outlining each claim limitation allegedly present.

27. All of the claim limitations of the independent claims of the '553 Patent comprise the same claim limitations of the independent claims of the '186 Patent, such that the '553 Patent claims contain claim limitations that are effectively a subset of the claim limitations of Claim 1 of the '186 Patent.

28. The parties have a clear conflict of asserted rights against one another, and an actual controversy exists between Shure and ClearOne with respect to '186 Patent and the '553 Patent.

29. As a result of ClearOne's actions, Shure has a reasonable apprehension of enforcement of the '186 and '553 Patents against it. Therefore, Shure files this action in order to resolve an actual and justiciable controversy between the parties hereto.

### **FIRST CAUSE OF ACTION**

#### **(Declaratory Judgment of Non-Infringement of the '186 Patent)**

30. Shure hereby incorporates by reference its allegations contained in paragraphs 1 through 29 of this Complaint.

31. Shure does not make, use, offer for sale, sell, import, or export, and has never made, used, offered to sell, sold, imported, or exported, a device or apparatus that infringes, either directly or indirectly, any valid and enforceable claim of the '186 Patent.

32. Furthermore, Shure does not practice or perform, and has never practiced or performed, any method that infringes, either directly or indirectly, or performed any acts constituting contributory infringement of, or inducement to infringe any valid and enforceable claim of the '186 Patent.

33. Neither the Accused Shure Products, alone or in combination with the Accused Third Party Products, infringe, either directly or indirectly, any valid and enforceable claim of the '186 Patent.

34. Specifically, each of the Accused Shure Products (alone or in combination with each other, or in any combination with any of the Accused Third Party Products), and all of the Accused Practices fail to include or satisfy at least the claim limitation of "select[ing] with a signal module, one or more of the combined echo cancelled signals for transmission to the far end, wherein said signal selection module uses the far end signal as information to inhibit said

signal selection module from changing the selection of the combined echo cancelled signals while only the far end is active,” which is a claim limitation required of each of the independent claims (claims 1, 7, 13 and 19) of the ‘186 Patent, and therefore, is a claim limitation required by each and every claim of the ‘186 Patent.

35. Because each of the Accused Shure Products (alone or in combination with each other or in any combination with the Accused Third Party Products), and all of the Accused Practices do not include or satisfy at least the above recited limitation, such products and practices do not infringe any claims of the ‘186 Patent.

36. As set forth in detail above, an actual controversy exists between Shure and ClearOne concerning the non-infringement of the ‘186 Patent.

37. Accordingly, Shure seeks and is entitled to a judgment against ClearOne that all of the Accused Shure Products (alone or in combination with the Accused Third Party Products), and other Shure products incorporating microphone arrays and/or acoustic echo cancellation, as well as Shure’s activities and undertakings in selling, marketing and distributing its products, including but not limited to the Accused Practices, have not infringed and do not infringe (directly, indirectly, contributorily, or by inducement) any valid claim of the ‘186 Patent.

## **SECOND CAUSE OF ACTION**

### **(Declaratory Judgment of Invalidity of the ‘186 Patent)**

38. Shure hereby incorporates by reference its allegations contained in paragraphs 1 through 37 of this Complaint.

39. The ‘186 Patent is invalid for failure to meet one or more of the conditions of patentability specified in Title 35 of the United States Code. Specifically, the ‘186 Patent does not satisfy at least the requirements of 35 U.S.C. §§ 102, 103, and/or 112.

40. Specifically, the ‘186 Patent is invalid under 35 U.S.C. § 102, as being anticipated by prior art. The ‘186 Patent is further invalid under 35 U.S.C. § 103 as being obvious in light of prior art. The ‘186 Patent is further invalid under 35 U.S.C. § 112 as being indefinite, for at least the reason that one or more of its claim terms fail to particularly point out and distinctly claim the invention, rendering the claims indefinite.

41. As set forth in detail above, an actual controversy exists between Shure and ClearOne as to whether the ‘186 Patent is invalid.

42. Accordingly, Shure seeks and is entitled to a judgment against ClearOne that the ‘186 Patent is invalid.

### **THIRD CAUSE OF ACTION**

#### **(Declaratory Judgment of Non-Infringement of the ‘553 Patent)**

43. Shure hereby incorporates by reference its allegations contained in paragraphs 1 through 42 of this Complaint.

44. Shure does not make, use, offer for sale, sell, import, or export, and has never made, used, offered to sell, sold, imported, or exported, a device or apparatus that infringes, either directly or indirectly, any valid and enforceable claim of the ‘553 Patent.

45. Furthermore, Shure does not practice or perform, and has never practiced or performed, any method that infringes, either directly or indirectly, or performed any acts constituting contributory infringement of, or inducement to infringe any valid and enforceable claim of the ‘553 Patent.

46. Neither the Accused Shure Products, alone or in combination with the Accused Third Party Products, infringe, either directly or indirectly, any valid and enforceable claim of the ‘186 Patent.

47. Specifically, each of the Accused Shure Products (alone or in combination with each other, or in any combination with any of the Accused Third Party Products), and all of the Accused Practices fail to include or satisfy at least the claim limitation of “perform[ing] a beamforming operation to combine the plurality of microphone signals to a plurality of combined signals that is greater in number than one and less in number than the plurality of microphone signals, each of the plurality of combined signals corresponding to a different fixed beam,” which is a claim limitation required of each of the independent claims (claims 1, 8 and 15) of the ‘553 Patent, and therefore, is a claim limitation required by each and every claim of the ‘553 Patent.

48. Because each of the Accused Shure Products, alone or in combination with each other or in any combination with the Accused Third Party Products, and all of the Accused Practices do not include at least the above recited limitation, such products and practices do not infringe any claims of the ‘553 Patent.

49. As set forth in detail above, an actual controversy exists between Shure and ClearOne concerning the non-infringement of the ‘553 Patent.

50. Accordingly, Shure seeks and is entitled to a judgment against ClearOne that all of the Accused Shure Products (alone or in combination with the Accused Third Party Products), and other Shure products incorporating microphone arrays and/or acoustic echo cancellation, as well as Shure’s activities and undertakings in selling, marketing and distributing its products, including but not limited to the Accused Practices, have not infringed and do not infringe (directly, indirectly, contributorily, or by inducement) any valid claim of the ‘553 Patent.

**PRAYER FOR RELIEF**

WHEREFORE, Shure requests that this Court enter judgment in its favor and against ClearOne as follows:

A. Declaring that Shure does not infringe, and has not infringed, any valid claim of any of the ‘186 Patent;

B. Declaring that the ‘186 Patent is invalid under one or more of 35 U.S.C. §§ 102 103, and/or 112;

C. Declaring that Shure does not infringe, and has not infringed, any valid claim of any of the ‘553 Patent;

D. Enjoining ClearOne, its officers, agents, employees, representatives, counsel and all parties acting in concert with it, permanently and preliminarily during the pendency of this action, from directly or indirectly asserting or charging infringement of the ‘186 Patent and/or the ‘553 Patent against Shure, its representatives, agents, distributors, customers, or contractors, present and prospective;

E. Declaring this case exceptional under 35 U.S.C. § 285 at least as a result of ClearOne’s assertion of the ‘186 Patent and/or the ‘553 Patent despite ClearOne’s knowledge of their invalidity and/or Shure’s non-infringement of them, and ordering ClearOne to pay Shure’s reasonable attorneys’ fees and expenses in this action;

F. Ordering ClearOne to pay Shure’s costs pursuant to 28 U.S.C. § 1920;

G. Ordering such other and future relief as this Court deems just and proper.

**JURY DEMAND**

Shure respectfully requests a trial by jury.

Dated: April 24, 2017

Respectfully Submitted,

By: /s/ Vladimir I. Arezina  
One of the Attorneys for Plaintiff,  
SHURE INCORPORATED

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# EXHIBIT B



**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DISTRICT**

Shure Incorporated,

Plaintiff,

vs.

ClearOne, Inc.,

Defendant.

Civil Number 1:17-cv-03078

Jury Trial Demanded

Hon. Edmond E. Chang

Mag. Judge Hon. Maria Waldez

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ClearOne, Inc.,

Counter-Plaintiff,

vs.

Shure Incorporated, Biamp Systems  
Corporation, and QSC Audio Products, LLC,

Counter-Defendants.

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**DEFENDANT CLEARONE’S ANSWER TO PLAINTIFF SHURE’S COMPLAINT FOR  
DECLARATORY JUDGMENT OF PATENT NON-INFRINGEMENT AND  
INVALIDITY, JOINDER, AND COUNTERCLAIM**

**ANSWER**

**NATURE OF THE ACTION**

1. ClearOne, Inc. (“ClearOne”) admits that Plaintiff Shure Incorporated’s (“Plaintiff” or “Shure”) Complaint seeks a judgment declaring U.S. Patent No. 9,635,186 (the “’186 Patent”) invalid and not infringed, and U.S. Patent No. 9,264,553 (the “’553 Patent”) not infringed. ClearOne denies that Plaintiff is entitled to a declaration of either noninfringement or invalidity of either patent.

**PARTIES**

2. Admit.

3. Admit.

### **JURISDICTION AND VENUE**

4. ClearOne admits that this is purportedly an action arising under the United States Patent Laws and the Declaratory Judgment Act. ClearOne denies that this Court has subject matter jurisdiction over the '553 Patent. ClearOne also denies that Plaintiff is entitled to any relief.

5. Admit.

6. Admit.

7. ClearOne admits that venue is proper in this District pursuant to 28 U.S.C. § 1391(b), (c), and/or (d). ClearOne denies the remaining allegations contained in Paragraph 7.

### **BACKGROUND**

8. Admit.

9. Admit.

10. Admit.

11. Admit.

12. ClearOne admits that the '186 Patent was issued by the United States Patent and Trademark Office on April 25, 2017. ClearOne otherwise denies the allegations contained in Paragraph 12.

13. Admit.

14. Admit.

15. The '186 Patent claims priority to earlier filed Provisional United States Application Nos. 61/495,968, 61/495,961, and 61/495,971. The '186 Patent issued from the '424 Application, which is a continuation of United States Patent Application No. 15/040,135, which

in turn is a continuation of United States Patent Application No. 13/493,921 (the “’921 Application”). The ’553 Patent issued from the ’921 Application. ClearOne admits that Exhibit B appears to be a copy of the ’553 Patent. Plaintiffs use of the phrase “same patent family” is vague, and ClearOne is unclear as to the meaning intended by Plaintiff. ClearOne thus does not have enough information to analyze whether that statement is true, and therefore denies the remaining allegations of Paragraph 15.

16. Admit.

17. ClearOne admits that the ’186 Patent is entitled “Conferencing Apparatus that Combines a Beamforming Microphone Array with an Acoustic Echo Canceller,” and that the ’553 Patent is entitled “Methods and Apparatuses for Echo Cancellation with Beamforming Microphone Arrays.” Plaintiff’s use of the phrase “large portions of specification[s]” is vague, and ClearOne is unclear as to the meaning intended by Plaintiff. ClearOne thus does not have enough information to analyze whether that statement is true, and therefore denies the remaining allegations of Paragraph 17.

18. ClearOne admits that both the ’186 Patent and ’553 Patent are similarly titled. Plaintiff’s use of the phrases “same subject matter” and “broader in scope” are vague, and ClearOne is unclear as to the meaning intended by Plaintiff. ClearOne thus does not have enough information to analyze whether those statements are true, and therefore denies the remaining allegations of Paragraph 18.

19. ClearOne believes that the text of its March 10, 2017 letter (“letter”) is the best evidence and speaks for itself. ClearOne otherwise denies Plaintiff’s characterization of the letter.

20. ClearOne believes that the text of its letter is the best evidence and speaks for

itself. ClearOne otherwise denies Plaintiff's characterization of the letter.

21. ClearOne believes that the text of its letter is the best evidence and speaks for itself. ClearOne otherwise denies Plaintiff's characterization of the letter.

22. ClearOne admits that its letter identified independent claims 1, 7, 13, and 19, as well as dependent claims of the '424 Application as covering Shure products. ClearOne is without information sufficient to form a belief as to the truth or falsity of the other allegations of Paragraph 22, and therefore denies the allegations.

23. ClearOne believes that the text of its letter is the best evidence and speaks for itself. ClearOne otherwise denies Plaintiff's characterization of the letter.

24. ClearOne believes that the text of its letter is the best evidence and speaks for itself. ClearOne otherwise denies Plaintiff's characterization of the letter.

25. ClearOne believes that the text of its letter is the best evidence and speaks for itself. ClearOne otherwise denies Plaintiff's characterization of the letter.

26. ClearOne admits that the claim chart provided in its letter provides an infringement analysis of claim 1 of the '186 Patent. ClearOne denies the remaining allegations.

27. ClearOne admits that the '186 and '553 Patents share some similar claim limitations. ClearOne otherwise denies Plaintiff's characterization of the Patents.

28. ClearOne admits that an actual controversy exists between Plaintiff and ClearOne with respect to the '186 Patent. ClearOne otherwise denies the allegations contained in Paragraph 28.

29. ClearOne admits that Plaintiff has a reasonable apprehension of enforcement of the '186 Patent against it. ClearOne otherwise denies the allegations contained in Paragraph 29.

**Count 1: Declaratory Judgment of Non-Infringement of the '186 Patent**

30. To the extent not inconsistent, ClearOne incorporates by reference its answers to the allegations of Paragraph 1 through 29 of the Complaint the same as if fully set forth herein.

31. Deny.

32. Deny.

33. Deny.

34. Deny.

35. Deny.

36. ClearOne admits that an actual controversy exists between Plaintiff and ClearOne concerning the non-infringement of the '186 Patent, but otherwise denies the remaining allegations in Paragraph 36.

37. Deny.

**Count 2: Declaratory Judgment of Invalidity of the '186 Patent**

38. To the extent not inconsistent, ClearOne incorporates by reference its answers to the allegations of Paragraph 1 through 37 of the Complaint the same as if fully set forth herein.

39. Deny.

40. Deny.

41. ClearOne admits that an actual controversy exists between Plaintiff and ClearOne as to whether the '186 Patent is invalid, but otherwise denies the remaining allegations in Paragraph 41.

42. Deny.

**Count 3: Declaratory Judgment of Non-Infringement of the '553 Patent**

Paragraphs 43–50: No response required as subject to a motion to dismiss for lack of

subject matter jurisdiction.

### **PRAYER FOR RELIEF**

ClearOne denies that Plaintiff is entitled to any of the requested relief. ClearOne demands a trial by jury of all disputed, material facts (including any such facts later pleaded in the joinder and counterclaims below).

### **JURY DEMAND**

Admit. ClearOne demands a trial by jury of all disputed, material facts (including any such facts later pleaded in the joinder and counterclaims below).

### **AFFIRMATIVE DEFENSES**

1. Shure has failed to allege a sufficient case or controversy over the non-infringement of the '553 patent and thus this Court lacks subject matter jurisdiction over Count 3 of Shure's declaratory judgment claims.
2. The '186 and '553 Patents are presumed to be, and are, valid.
3. ClearOne reserves its rights to assert additional claims or defenses as appropriate.

### **JOINDER AND COUNTERCLAIM**

Counterclaimant ClearOne by and through counsel of record, hereby files this Counterclaim against Shure. ClearOne also files this Counterclaim against Biamp System Corporation ("Biamp") and QSC Audio Products, LLC ("QSC"), which it joins as Counterclaim Defendants to this action (Shure, Biamp, and QSC collectively referred to as "Counterclaim Defendants").

### **INTRODUCTION**

1. ClearOne brings this patent infringement action to stop Counterclaim Defendants Shure, Biamp, and QSC from their wrongful use of ClearOne's market-leading, patented audio

conferencing technologies.

2. Despite being a small public company, ClearOne has grown into the global market leader in the installed audio conferencing market and a leading provider of premium audio conferencing systems and other related products for audio, video, and web conferencing applications. As a market leader, ClearOne is focused on developing cutting-edge conferencing and collaboration products. Through decades of innovation, investment, and effort by ClearOne and its team of inventors and engineers, ClearOne has developed industry-leading products and a portfolio of over 100 issued patents and pending patent applications.

3. No later than 2010, ClearOne inventors conceived and developed a beamforming microphone conferencing system that was designed to replace up to a dozen individual microphones with a small beamforming microphone array that could be placed overhead or otherwise out of the way and yet had superior audio quality and clarity. In 2012, four years ahead of its closest competitors, ClearOne was first to market with this beamforming audio conferencing technology – the Beamforming Microphone Array audio conferencing system – which combined beamforming with acoustic echo cancellation and adaptive steering or smart beam selection to provide superior audio performance and clarity.



ClearOne Beamforming Microphone Array

4. ClearOne has been recognized several times for its continued innovation and

excellence in the installed audio conferencing market, including:

- 2017 Integrated Systems Europe “Best of Show” for its Beamforming Microphone Array 2;
- 2014 TMCnet Communications Product of the Year for its Beamforming Microphone Array;
- 2014 Frost & Sullivan Global Installed Audio Conferencing Systems Market Leadership Award; and
- 2013 Utah Innovation Awards Finalist for its Beamforming Microphone Array.

5. To protect its industry-leading technology, ClearOne filed provisional and utility patent applications, including United States Patent Application No. 15/190,424 (the “’424 Application”) entitled “Conferencing Apparatus that combines a Beamforming Microphone Array with an Acoustic Echo Canceller.” The ’424 Application has now issued as United States Patent No. 9,635,186 (the “’186 Patent”). A true and correct copy of the ’186 Patent is included as Exhibit A.

6. Counterclaim Defendants’ products and services make pervasive use of ClearOne’s patented technology and infringe the ’186 Patent.

7. ClearOne seeks injunctive relief barring Counterclaim Defendants from infringing ClearOne’s patented technology, damages for Counterclaim Defendants past infringement, and ClearOne’s attorneys’ fees and costs associated with this action.

### **JURISDICTION AND VENUE**

8. This Counterclaim for patent infringement arises under the Patent Laws of the United States, 35 U.S.C. § 101 et seq. This Court has subject matter jurisdiction over this Counterclaim and all Counterclaim Defendants pursuant to 28 U.S.C. §§ 1331, 1338(a), and



1367.

9. This Court has personal jurisdiction over Counterclaim Defendants in this matter. Among other things, Counterclaim Defendants transact and have transacted business in Illinois and have caused injury to ClearOne in Illinois. Moreover, Shure filed its Complaint in Illinois and this District.

10. Venue is proper in this district under 28 U.S.C. §§ 1391(b) & (c) and 1400(b).

### **PARTIES**

#### **ClearOne, Inc.**

11. ClearOne is a public corporation, incorporated in Utah, with a principal place of business at 5225 Wiley Post Way, Suite 500, Salt Lake City, Utah 84116.

12. ClearOne was founded in 1983. From its inception, ClearOne has been dedicated to the design, development, and sales of conferencing, collaboration, and network streaming and signage solutions for voice and visual communications. ClearOne has created hundreds of new products that improve people's ability to collaborate and communicate, whether they are in the same room or on opposite sides of the globe.

13. ClearOne's commitment to innovation and quality in the field of voice and visual communication solutions is well-known. ClearOne has developed several industry firsts, including:

- First professional-grade Beamforming Microphone Array;
- First product to use Distributed Audio Echo Cancellation in an audio conferencing system;
- First conference phone to provide wireless conferencing;
- First fully-scalable conference phone that daisy-chains multiple phone units; and

- First product to bridge the wide price/performance gap that existed between plug-and-play tabletop conferencing phones and professionally-installed audio conferencing systems.

14. Today, installed audio conferencing is one of ClearOne's core businesses, and ClearOne has become the market leader in that field, with over 50% of the global market. ClearOne's products are used by thousands of organizations worldwide, including schools, government entities, medical facilities, law firms, businesses, and houses of worship.

### **Shure Incorporated**

15. Shure is a private corporation, incorporated in Illinois, with its principal place of business at 5800 W. Touhy Avenue, Niles, Illinois 60714.

16. Shure designs and manufactures audio systems. Shure's products include wireless and wired microphone systems, digital signal processors, and personal monitor systems, among others. Shure is a competitor of ClearOne.

17. Shure advertises, encourages, and instructs its customers to make and use integrated systems consisting of its beamforming microphones (such as the Shure Microflex Advance Array microphone) and its upcoming Intellimix P300 Audio Conferencing Processor (scheduled for launch in fall 2017), as well as acoustic echo cancellation products from other companies (such as QSC's Q-SYS platform and Biamp's Tesira/TesiraFORTE audio processors and software).

18. The performance of these integrated systems plays a key role in Shure's ability to compete effectively in the audio conferencing market.

19. Shure is aware that ClearOne has patents relating to beamforming audio conferencing systems.

**Biamp Systems Corporation**

20. Biamp is a private corporation, incorporated in Delaware, with a principal place of business at 9300 S.W. Gemini Drive, Beaverton, Oregon 97008.

21. Biamp designs and manufactures audio systems. Biamp's products include networked digital audio platforms, digital signal processors, and scalable media systems for digital audio networking, among others. Biamp is a competitor of ClearOne.

22. Biamp advertises, encourages, and instructs its customers to make and use integrated systems consisting of its acoustic echo cancellation products (such as its Tesira/TesiraFORTE audio processors and software) and the Shure Microflex Advance Array microphone.

23. The performance of these integrated systems plays a key role in Biamp's ability to compete effectively in the audio conferencing market.

24. Biamp is aware that ClearOne has at least one patent relating to beamforming audio conferencing systems.

**QSC Audio Products, LLC**

25. QSC is a private company organized as a California limited liability company with its principal place of business at 1675 MacArthur Blvd., Costa Mesa, California 92626.

26. QSC designs and manufactures audio systems. QSC's products include power amplifiers, loudspeakers, mixers, and networked audio and control. QSC is a competitor of ClearOne.

27. QSC advertises, encourages, and instructs its customers to make and use integrated systems consisting of its acoustic echo cancellation products (such as its Q-SYS platform) and the Shure Microflex Advance Array microphone.

28. The performance of these integrated systems plays a key role in QSC's ability to compete effectively in the audio conferencing market.

29. QSC is aware that ClearOne has at least one patent relating to beamforming audio conferencing systems.

### **BACKGROUND OF THE TECHNOLOGY**

30. The technology at issue in this case pertains generally to the field of digital signal processing techniques, as used primarily in audio and video teleconferencing systems that are often deployed in conference rooms.

31. Beamforming, also known as spatial filtering, is a signal processing technique used in sensor arrays for directional signal transmission or reception. Beamforming can be used to select desired sound sources, while rejecting unwanted sounds. In an audio conferencing system, beamforming can be used to select, or focus on, a participant's voice, while rejecting noise and interfering speech from other directions, which provides superior audio performance and clarity.

32. Another related and important technology in audio conferencing is acoustic echo cancellation. This technology improves audio quality by reducing or preventing echo from being created or reducing/removing it after it is already present. For example, from the perspective of remote audio conferencing participants, their own voices are recreated by loudspeakers in the conference room, and these audio signals are also then picked up by the microphones in the room and sent back the remote participants, causing an undesirable echo. Acoustic echo cancellation involves recognizing that echo, then reducing or removing it by subtracting it from the transmitted signal.

33. ClearOne is at the forefront of integrating beamforming microphone arrays with acoustic echo cancellation. ClearOne's '186 Patent covers a conferencing apparatus that combines a beamforming microphone array with an acoustic echo canceller and, among other things, inhibits the changing of the selection of the combined echo cancelled signals while only the far end signal is active, as well as other embodiments.

34. The '186 Patent employs a "hybrid" method, wherein microphone signals are beamformed into a plurality of fixed beams, and echo cancellation is then applied to those fixed beams. This allows the echo cancelers to avoid continuous learning based on the changing characteristics of the beamformer, but also avoids having to increase the number of echo cancelers when the number of microphones is increased, two problems which plague other methods.

35. ClearOne currently employs the technology in the '186 Patent in its Beamforming Microphone Array and CONVERGE Pro products, both of which are now in their second generation.

36. ClearOne's investments in technology and its reputation as a leader and innovator is harmed by ongoing unauthorized use of its technology.

#### **COUNTERCLAIM DEFENDANTS' WILLFUL INFRINGEMENT**

37. On March 10, 2017, ClearOne's counsel wrote to Christine Schyvinck, President and CEO of Shure; Matt Czyzewski, President and CEO of Biamp; and Joe Pham, President and CEO of QSC, to notify them of the existence of the '424 Application and the fact that the USPTO had provided ClearOne a Notice of Allowance. ClearOne alerted each company as to the scope of the '424 Application, including the allowed claims. ClearOne also stated its belief that the Shure Microflex Advance beamforming microphone array combined with the Biamp

Tesira or QSC Q-SYS audio processors were covered by the allowed claims of the '424 Application and provided a detailed 18-page claim chart that set forth the publicly available evidence demonstrating Defendants' infringement. The claim chart is attached as Exhibit B. ClearOne also demanded that each company cease and desist from any activities that would infringe upon ClearOne's patent rights.

38. On March 21, 2017, Shure responded with a short letter indicating that they received ClearOne's March 10 letter and were still investigating its merits. By letter with the same date, counsel for Biamp sent counsel for ClearOne a three-sentence note, indicating that they had received the March 10 letter, were investigating its merits, and planned to respond in due course. Prior to the '186 Patent's issue, QSC never responded to the March 10 letter.

39. On April 10, 2017, Shure requested a call with ClearOne to discuss the issues raised in ClearOne's March 10 letter, and ClearOne proposed a call on April 18 or 19.

40. Rather than respond to ClearOne's offer to discuss the matter, Shure instead sent another letter on April 17, 2017, stating that they had completed their review of ClearOne's March 10 letter and claiming that Shure's products did not infringe the '424 Application. Despite having the benefit of ClearOne's detailed claim charts, Shure did not provide any explanation as to why they believed that Shure's products did not infringe the allowed claims of the '424 Application.

41. There had been no further communications with Shure, Biamp, or QSC before the '186 Patent issued on April 25, 2017. On the same day, this lawsuit ensued.

## **COUNT I**

### **Counterclaim for Relief for Patent Infringement of the '186 Patent (Against All Counterclaim Defendants)**

42. ClearOne incorporates by reference paragraphs 1 through 41.

43. ClearOne is the owner of all rights, title, and interest in the '186 Patent. The '186 Patent issued on April 25, 2017.

44. The '186 Patent is valid and enforceable.

45. Counterclaim Defendant Shure manufactures, uses, offer to sell, and sells beamforming microphones. Shure advertises, encourages, and instructs its customers to make, use, offer to sell, and/or sell, integrated systems consisting of Shure's beamforming microphones (such as the Shure Microflex Advance Array microphone) and acoustic echo cancellation products from other companies (such as QSC's Q-SYS platform and Biamp's Tesira/TesiraFORTE audio processors and software). These integrated systems perform beamforming operations that combine microphone signals into signals corresponding to fixed beams, and then perform acoustic echo cancellation on the combined signals, in addition to other operations in the '186 Patent. Indeed, Shure has announced partnerships with several AV hardware and software providers, including both Biamp and QSC, to manufacture and sell these integrated systems. Shure thereby participates in joint infringement, contributory infringement, or inducement to infringe with acoustic echo cancellation companies to manufacture, make, use, sell, offer for sale, or import integrated systems that embody one or more claims of the '186 Patent, including representative claims 1, 7, and 13 of the '186 Patent.

46. Counterclaim Defendant Biamp manufactures, uses, offers to sell, and sells acoustic echo cancellation products. Biamp advertises, encourages, and instructs its customers to make, use, offer to sell, and/or sell, integrated systems consisting of Biamp's acoustic echo cancellation products (such as Biamp's Tesira/TesiraFORTE audio processors and software) and other companies' beamforming microphones (such as the Shure Microflex Advance Array Microphone). These integrated systems perform beamforming operations that combine

microphone signals into signals corresponding to fixed beams, and then perform acoustic echo cancellation on the combined signals, in addition to other operations in the '186 Patent. Indeed, Biamp has announced partnerships with beamforming microphone providers such as Shure to manufacture and sell these integrated systems. Biamp thereby participates in joint infringement, contributory infringement, and/or inducement to infringe with microphone companies to manufacture, make, use, sell, offer for sale, or import integrated systems that embody one or more claims of the '186 Patent, including representative claims 1, 7, and 13 of the '186 Patent.

47. Counterclaim Defendant QSC manufactures, uses, offers to sell, and sells acoustic echo cancellation products. QSC advertises, encourages, and instructs its customers to make, use, offer to sell, and/or sell, integrated systems consisting of QSC's acoustic echo cancellation products (such as QSC's Q-SYS platform) and other companies' beamforming microphones (such as the Shure Microflex Advance Array Microphone). These integrated systems perform beamforming operations that combine microphone signals into signals corresponding to fixed beams, and then perform acoustic echo cancellation on the combined signals, in addition to other operations in the '186 Patent. Indeed, QSC has announced partnerships with beamforming microphone providers such as Shure to manufacture and sell these integrated systems. QSC thereby participates in joint infringement, contributory infringement, or inducement to infringe with microphone companies to manufacture, make, use, sell, offer for sale, or import integrated systems that embody one or more claims of the '186 Patent, including representative claims 1, 7, and 13 of the '186 Patent.

48. Each Counterclaim Defendant knew of the '424 Application, which issued as the '186 Patent, prior to the filing of this action at least due to ClearOne's identification of the '424 Application to Counterclaim Defendants in the March 10, 2017 letter that was sent to each



Counterclaim Defendant's respective chief executive officer.

49. Counterclaim Defendants' infringement is willful.

50. ClearOne has suffered and continues to suffer damages and irreparable harm because of Counterclaim Defendants' past and ongoing infringement.

51. Unless Counterclaim Defendants' infringement is enjoined, ClearOne will continue to be damaged and irreparably harmed.

52. ClearOne meets the criteria for, and is entitled to, temporary, preliminary, and permanent injunctive relief.

## **COUNT II**

### **Conditional Counterclaim for Relief for Patent Infringement of the '553 Patent (Against All Counterclaim Defendants)**

ClearOne has moved to dismiss Shure's declaratory judgment claim against United States Patent No. 9,264,553 (the "'553 Patent."). Contingent on the Court's consideration of such motion and the Court's denial of it, ClearOne asserts the following conditional Counterclaim within the time period for doing so as a matter of right in order to preserve such claim.

53. ClearOne incorporates by reference paragraphs 1 through 52.

54. ClearOne is the owner of all rights, title, and interest in the '553 Patent. The '553 Patent issued on February 16, 2016.

55. The '553 Patent is currently pending reissuance.

56. Counterclaim Defendant Shure manufactures, uses, offer to sell, and sells beamforming microphones. Shure advertises, encourages, and instructs its customers to make, use, offer to sell, and/or sell, integrated systems consisting of Shure's beamforming microphones (such as the Shure Microflex Advance Array microphone) and acoustic echo cancellation products from other companies (such as QSC's Q-SYS platform and Biamp's

Tesira/TesiraFORTE audio processors and software). These integrated systems perform beamforming operations that combine microphone signals into signals corresponding to fixed beams, and then perform acoustic echo cancellation on the combined signals, in addition to other operations in the '553 Patent. Indeed, Shure has announced partnerships with several AV hardware and software providers, including both Biamp and QSC, to manufacture and sell these integrated systems. Shure thereby participates in joint infringement, contributory infringement, or inducement to infringe with acoustic echo cancellation companies to manufacture, make, use, sell, offer for sale, or import integrated systems that embody one or more claims of the '553 Patent.

57. Counterclaim Defendant Biamp manufactures, uses, offers to sell, and sells acoustic echo cancellation products. Biamp advertises, encourages, and instructs its customers to make, use, offer to sell, and/or sell, integrated systems consisting of Biamp's acoustic echo cancellation products (such as Biamp's Tesira/TesiraFORTE audio processors and software) and other companies' beamforming microphones (such as the Shure Microflex Advance Array Microphone). These integrated systems perform beamforming operations that combine microphone signals into signals corresponding to fixed beams, and then perform acoustic echo cancellation on the combined signals, in addition to other operations in the '553 Patent. Indeed, Biamp has announced partnerships with beamforming microphone providers such as Shure to manufacture and sell these integrated systems. Biamp thereby participates in joint infringement, contributory infringement, and/or inducement to infringe with microphone companies to manufacture, make, use, sell, offer for sale, or import integrated systems that embody one or more claims of the '553 Patent.

58. Counterclaim Defendant QSC manufactures, uses, offers to sell, and sells acoustic echo cancellation products. QSC advertises, encourages, and instructs its customers to make, use, offer to sell, and/or sell, integrated systems consisting of QSC's acoustic echo cancellation products (such as QSC's Q-SYS platform) and other companies' beamforming microphones (such as the Shure Microflex Advance Array Microphone). These integrated systems perform beamforming operations that combine microphone signals into signals corresponding to fixed beams, and then perform acoustic echo cancellation on the combined signals, in addition to other operations in the '553 Patent. Indeed, QSC has announced partnerships with beamforming microphone providers such as Shure to manufacture and sell these integrated systems. QSC thereby participates in joint infringement, contributory infringement, or inducement to infringe with microphone companies to manufacture, make, use, sell, offer for sale, or import integrated systems that embody one or more claims of the '553 Patent.

59. ClearOne has suffered and continues to suffer damages and irreparable harm because of Counterclaim Defendants' past and ongoing infringement.

60. Unless Counterclaim Defendants' infringement is enjoined, ClearOne will continue to be damaged and irreparably harmed.

61. ClearOne meets the criteria for, and is entitled to, temporary, preliminary, and permanent injunctive relief.

### **PRAYER FOR RELIEF**

WHEREFORE, ClearOne respectfully asks that the Court enter judgment against Counterclaim Defendants as follows:

- A. That Counterclaim Defendants Shure, Biamp, and QSC have infringed (either literally or under the doctrine of equivalents), jointly, and/or indirectly, by way of

inducing or contributing to the infringement of, one or more claims of ClearOne's '186 and '553 Patents;

- B. That Counterclaim Defendants infringement of the '186 Patent was willful;
- C. For temporary, preliminary, and permanent injunctive relief enjoining Counterclaim Defendants and their officers, directors, agents, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in active concert or participation with them, from infringement, inducing the infringement, or contributing to the infringement of the '186 and '553 Patents;
- D. For an award to ClearOne for its damages, costs, expenses, and prejudgment and post-judgment interest for Counterclaim Defendants' infringement of the '186 and '553 Patents as provided under 35 U.S.C. §§ 154(d) and 284;
- E. For an award to ClearOne for enhanced damages equal to treble the amount of actual damages, for the willful nature of Counterclaim Defendants' acts of infringement as to the '186 Patent, with notice being made at least as early as the date of the filing of the complaint, as provided under 35 U.S.C. § 284;
- F. That this be declared an exceptional case within the meaning of 35 U.S.C. § 285 and that ClearOne be awarded its reasonable attorneys' fees against Counterclaim Defendants;
- G. For any and all other relief to which ClearOne may show itself to be entitled.

Dated: May 30, 2017

By: /s/ Garret A. Leach

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**CERTIFICATE OF SERVICE**

I, hereby certify that on May 30, 2017, the foregoing document was filed electronically through the Court's Electronic Case Filing System. Service of this document is being made upon all counsel of record in this case by the Notice of Electronic Filing issued through the Court's Electronic Case Filing System on this date.

By: /s/ Garret A. Leach\_\_\_\_\_

# EXHIBIT C

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

ClearOne, Inc.,

Plaintiff,  
vs.

Shure Incorporated,  
Defendant.

Case Number 19-cv-2421

Jury Trial Demanded

**COMPLAINT FOR PATENT INFRINGEMENT AND TRADE SECRET  
MISAPPROPRIATION**

Plaintiff ClearOne, Inc. (“ClearOne”) files this Complaint against Defendant Shure Incorporated (“Shure”), and alleges as follows:

**INTRODUCTION**

1. ClearOne brings this action to stop Shure from its predatory actions against ClearOne, including wrongful and willful infringement of ClearOne’s market-leading, patented audio conferencing technologies and intentional misappropriation of ClearOne’s valuable trade secrets related to its products.<sup>1</sup>

2. Despite being a small public company, ClearOne had grown into the global market leader in the installed audio conferencing market and a leading provider of premium audio conferencing systems and other related products for audio, video, and web conferencing applications. As a market leader, ClearOne is focused on developing cutting-edge conferencing and collaboration products. Through decades of innovation, investment, and effort by

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<sup>1</sup> Pursuant to Shure’s objection to public disclosure of internal Shure documents and related material, ClearOne has redacted references to specific evidence of Shure’s trade secret misappropriation from the public version of this Complaint.



ClearOne's inventors and engineers, ClearOne has developed industry-leading products and a portfolio of approximately 100 issued patents and pending patent applications.

3. No later than 2010, ClearOne inventors conceived and developed a beamforming microphone conferencing system that was designed to replace up to a dozen individual microphones with a compact beamforming microphone array that could be placed overhead or otherwise out of the way and yet have superior audio quality and clarity. Over the next several years, ClearOne developed this beamforming microphone conferencing system and also conceived and developed other inventions involving related technology. In 2012, ClearOne was first to market with this beamforming audio conferencing technology – the Beamforming Microphone Array (“BMA”) audio conferencing system – which combined beamforming with acoustic echo cancellation and adaptive steering or smart beam selection to provide superior audio performance and clarity.



4. To protect its industry-leading technology, ClearOne filed provisional and utility patent applications, including United States Patent Application No. 13/493,921 (the “’921 Application”) entitled “Methods and Apparatuses for Echo Cancellation with Beamforming Microphone Arrays.” The ’921 Application issued as United States Patent No. 9,264,553 (the “’553 Patent”). A true and correct copy of the ’553 Patent is included as Exhibit A.

5. Once it was ready to sell the BMA, ClearOne encountered the issue of how to price the BMA conferencing system. Since ClearOne's beamforming microphone conferencing

system was unique in the market, there was little precedent for what ClearOne should charge for the system. Accordingly, ClearOne spent significant time and effort developing highly confidential pricing lists for the BMA, including standard discounts to appeal to manufacturer representatives, dealers, resellers, and distributors, and special pricing to drive sales of this new product.

6. These highly confidential price lists carry significant value to ClearOne, and a competitor's access to these price lists would harm ClearOne's ability to compete. By maintaining the price lists confidentially, ClearOne is able to offer preferential pricing and confidential discounts. Indeed, even ClearOne partners are not permitted to share pricelists with other partners because pricing differs among different ClearOne partners. This enables ClearOne to sell more of its products and thereby positions ClearOne as the most price-effective solution. And it allows ClearOne to maintain fair pricing among various partners and partner levels. If the price lists were made public or released to ClearOne's competitors, the competitors could simply undercut ClearOne's prices (or offer more advantageous bundle pricing) and thereby steal customers that could have otherwise bought ClearOne products. And by continually undercutting ClearOne prices, the competitors would gain goodwill and reputational benefits by appearing to be more price-competitive than ClearOne. In addition, knowing ClearOne's price lists would help the competitors better position their products in the market and save significant time in price discovery (a process where the manufacturer keeps adjusting prices to get the desired sales volume).

7. Accordingly, ClearOne maintains these lists as trade secrets, including by restricting access to them both internally and externally to only those who need to use or see them (those with a "need to know") in order to further ClearOne's business. And before sharing

these highly confidential price lists with a limited number of manufacturer representatives, dealers, resellers, distributors, and employees, ClearOne marks them “Confidential” and includes strict confidentiality clauses in its contracts to protect the price lists from disclosure.

8. Due to the innovative nature of ClearOne’s BMA and the BMA’s significant commercial success upon entry into the market, ClearOne has been recognized several times for its continued innovation and excellence in the installed audio conferencing market.

9. Shure is a large microphone and audio company that sells products throughout the world. Witnessing the success of the ClearOne BMA in the audio conferencing market, Shure embarked on a coordinated campaign to capture market share from ClearOne. But it went about doing so in an unfair and improper manner. Within three years of the BMA’s release, Shure released its own competing products: the MXA910 Ceiling Microphone Array (“MXA910”) and the Microflex Advance Table Array microphone (the “MXA310”). The MXA910 and MXA310, as designed and operated, make pervasive use of ClearOne’s patented technology and infringe ClearOne’s ’553 Patent.

10. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

11. ClearOne files this Complaint to hold Shure responsible for its deleterious

conduct and prevent it from further harming ClearOne. ClearOne seeks injunctive relief barring Shure from infringing ClearOne's patented technology and from further acquiring and using ClearOne's trade secrets, damages for Shure's past infringement and trade secret misappropriation, punitive and treble damages to hold Shure responsible for its conduct, and ClearOne's attorneys' fees and costs associated with this action.

### **JURISDICTION AND VENUE**

12. ClearOne's claim for patent infringement arises under the Patent Laws of the United States, 35 U.S.C. § 101 et seq. ClearOne's claim for trade secret misappropriation arises under the Defend Trade Secrets Act, 18 U.S.C. § 1836, et seq. Accordingly, this Court has subject matter jurisdiction over this Complaint and Shure pursuant to 28 U.S.C. §§ 1331, 1338(a), 1367.

13. This Court has personal jurisdiction over Shure in this matter. Among other things, Shure's headquarters are located at 5800 West Touhy Avenue in Niles, Illinois 60714 and it regularly transacts business in Illinois. Shure has also caused injury to ClearOne in Illinois through its willful patent infringement and trade secret misappropriation.

14. Venue is proper in this district under 28 U.S.C. §§ 1391(b) & (c) and/or 1400(b).

### **PARTIES**

#### **ClearOne, Inc.**

15. ClearOne is a small public corporation, incorporated in Utah, with a principal place of business at 5225 Wiley Post Way, Suite 500, Salt Lake City, Utah 84116.

16. ClearOne was founded in 1983. Since its inception, ClearOne has grown to become a company dedicated to the design, development, marketing, and sales of conferencing, collaboration, and network streaming solutions for voice and visual communications. ClearOne

has created hundreds of new products that improve people's ability to collaborate and communicate, whether they are in the same room or on opposite sides of the globe.

17. ClearOne's commitment to innovation and quality in the field of voice and visual communication solutions is well known. ClearOne has developed several industry firsts including, but not limited to:

- First professional-grade Beamforming Microphone Array;
- First product to use Distributed Acoustic Echo Cancellation in an audio conferencing system;
- First conference phone to provide wireless conferencing;
- First fully-scalable conference phones that daisy-chain multiple phone units;
- First product to bridge the wide price/performance gap that existed between plug-and-play tabletop conferencing phones and professionally-installed audio conferencing systems; and
- First product that is a complete professional video collaboration system with state-of-the-art audio and video technology, and a patented ceiling tile beamforming mic array designed for medium and large meeting rooms.

18. Today, installed audio conferencing is one of ClearOne's core businesses, and, before Shure's willful infringement and misappropriation, ClearOne had become the market leader in that field, with over 50% of the global market. ClearOne's products have been used by thousands of organizations worldwide, including schools, government entities, medical facilities, law firms, businesses, and houses of worship.

### **Shure Incorporated**

19. Shure is a private corporation, incorporated in Illinois, with its principal place of

business at 5800 W. Touhy Avenue, Niles, Illinois 60714.

20. Shure designs and manufactures audio systems. Shure's products include wireless and wired microphone systems, digital signal processors, and personal monitor systems, among others. Shure is a competitor of ClearOne.

21. Shure advertises, encourages, and instructs its customers to make and use integrated systems consisting of its beamforming microphones (such as the Shure MXA910 and MXA310), as well as acoustic echo cancellation products from other companies (such as QSC's Q-SYS platform and Biamp's Tesira/TesiraFORTE audio processors and software).

22. The performance of these integrated systems plays a key role in Shure's ability to compete effectively in the audio-visual conferencing market.

23. Shure is aware that ClearOne has patents relating to beamforming audio conferencing systems.

24. [REDACTED]

[REDACTED]

[REDACTED]

#### **RELEVANT NONPARTIES**

##### **Biamp Systems Corporation**

25. Biamp is a private corporation, incorporated in Delaware, with a principal place of business at 9300 S.W. Gemini Drive, Beaverton, Oregon 97008.

26. Biamp designs and manufactures audio and video systems. Biamp's products include networked digital audio platforms, digital signal processors, and scalable media systems for digital audio networking, among others. Biamp is a competitor of ClearOne.

27. Biamp advertises, encourages, and instructs its customers to make and use

integrated systems consisting of its acoustic echo cancellation products (such as its Tesira/TesiraFORTE audio processors and software) and the Shure MXA910 and MXA310 microphones.

28. The performance of these integrated systems plays a key role in Biamp's ability to compete effectively in the audio conferencing market.

29. Biamp is aware that ClearOne has at least two patents relating to beamforming audio conferencing systems.

### **QSC, LLC**

30. QSC is a private company organized as a California limited liability company with its principal place of business at 1675 MacArthur Blvd., Costa Mesa, California 92626.

31. QSC designs and manufactures audio systems. QSC's products include power amplifiers, loudspeakers, audio DSP mixers, and networked audio and control. QSC is a competitor of ClearOne.

32. QSC advertises, encourages, and instructs its customers to make and use integrated systems consisting of its acoustic echo cancellation products (such as its Q-SYS platform) and the Shure MXA910 and MXA310 microphones.

33. The performance of these integrated systems plays a key role in QSC's ability to compete effectively in the audio conferencing market.

34. QSC is aware that ClearOne has at least two patents relating to beamforming audio conferencing systems.

### **BACKGROUND OF THE TECHNOLOGY**

35. The technology at issue in this case pertains generally to the field of digital signal processing techniques, as used primarily in audio and video teleconferencing systems that are

often deployed in conference rooms.

36. Beamforming, also known as spatial filtering, is a signal processing technique used in sensor arrays for directional signal transmission or reception. Beamforming can be used to select desired sound sources, while rejecting unwanted sounds. In an audio conferencing system, beamforming can be used to select, or focus on, a participant's voice, while rejecting noise and interfering speech, in order to provide superior audio performance and clarity.

37. Another related and important technology in audio conferencing is acoustic echo cancellation. Acoustic echo cancellation involves recognizing an echo, and then reducing or removing it by subtracting it from a transmitted signal. For example, during an audio conference, the voice of a speaker on one end of a conference line is output through speakers at the other end of the conference line. Often, that speaker output is then picked up by the microphones on the same end of the conference line, and relayed back to the original speaker as undesirable echo. Acoustic echo cancellation reduces, eliminates, or minimizes this effect.

38. ClearOne was at the forefront of integrating beamforming microphone arrays with acoustic echo cancellation. ClearOne's '553 Patent covers methods and apparatuses that, among other things: (1) perform a beamforming operation that combines a plurality of microphone signals into a smaller number of combined signals that each correspond to a different fixed beam; and (2) performs an acoustic echo cancellation operation on the combined signals.

39. The '553 Patent employs a particular "hybrid" method, wherein microphone signals are beamformed into a plurality of fixed beams, and echo cancellation is then applied to those fixed beams. Performing the echo cancellation step on pre-formed, fixed beams minimizes the computer processing effort involved in acoustic echo cancellation, while also keeping the absolute number of echo cancellers to a minimum. This solves two problems that plagued other



methods at the time of invention of the '553 Patent.

40. Ashutosh Pandey, Darrin Thurston, David Lambert, and Tracy Bathurst, the inventors of the '553 Patent, created the methods recited therein after unsuccessful attempts to develop other beamforming and echo cancellation technologies. For example, Mr. Pandey and his team members worked for over a year on a project that performed acoustic echo cancellation first, and then conducted beamforming using the output of each microphone signal. This project was ultimately scrapped due to high costs, high processing requirements, and insufficient sound quality.

41. Pandey and his co-inventors then went back to the drawing board and began developing a beamforming microphone array that would use fixed beams. Ultimately, they realized that they could dramatically reduce processing requirements and achieve excellent sound quality by *first* using a digital signal processor ("DSP") to perform a beamforming algorithm and *then* performing AEC on the signals of each fixed beams, rather than performing AEC on the output of each microphone. The result was a new technology with significant cost and processing improvements and excellent sound quality. It is this new technology that is described and claimed in the '553 Patent.

42. ClearOne currently employs the technology in the '553 Patent in its Beamforming Microphone Array and CONVERGE Pro products, both of which are now in their second generation. ClearOne also employs the technology in its BMA CT ceiling tile beamforming microphone array, ClearOne's third-generation product.

#### **SHURE'S INFRINGEMENT OF CLEARONE'S '553 PATENT**

43. In or around January 2016, Shure announced the release of its MXA910 (Ceiling Array) and MXA310 (Table Array) microphones. The microphones began shipping later that

year, in August 2016. Shure continues to sell both microphone products today.

44. The Shure MXA910 and MXA310 microphones utilize the technology in the '553 Patent. Both Shure microphone products offer the same beamforming as that claimed in the '553 Patent. Specifically, they, among other things: perform a beamforming operation with a beamforming module; combine “[m]ultiple mic elements together to produce multiple, highly-directional pickup lobes”; and combine a plurality of microphone signals such that each of the plurality of combined signals corresponds to a different fixed beam.

45. Shure’s MXA910 and MXA310 microphones also require acoustic echo cancellation (“AEC”). To provide this functionality, Shure directs end users to use digital signal processors with Shure’s MXA910 and MXA310 microphones. At first, Shure encouraged the use of QSC’s Q-SYS platform and Biamp’s Tesira/TesiraFORTE audio processors and software—both of which provide the required AEC—with their MXA910 and MXA310 microphones. Now, Shure also offers its own digital signal processor, the Shure IntelliMix P300.

46. Combined with a DSP, the Shure MXA910 and MXA310 microphones offer the same combination of beamforming and acoustic echo cancellation as ClearOne’s BMA. In fact, upon its release of the MXA910 and MXA310, Shure become the only company in the United States to sell a substantially similar beamforming microphone array to ClearOne’s BMA. Shure’s infringement, on its own and in combination with others, has harmed ClearOne’s investments in technology and its reputation as a leader and innovator.

#### **SHURE’S KNOWLEDGE AND WILLFUL PATENT INFRINGEMENT**

47. Shure has knowingly infringed and willingly continued to infringe the '553 Patent by selling its MXA910 and MXA310 products, even after challenging ClearOne’s '553 Patent in federal court and unsuccessfully with the PTAB.

48. On April 24, 2017, Shure filed an action in the U.S. District Court for the Northern District of Illinois seeking a declaratory judgment of noninfringement and invalidity of the '553 Patent. *Shure Inc. v. ClearOne, Inc.*, Case No. 17-cv-03078 (N.D. Ill.).

49. ClearOne had filed an application for reissue of the '553 Patent on April 16, 2017, prior to Shure's complaint. On July 14, 2017, Shure filed a petition for *Inter Partes* Review ("IPR") of the '553 Patent, and on January 29, 2018, the Patent Trial and Appeal Board ("PTAB") instituted IPR proceedings for the '553 Patent.

50. On March 16, 2018, the Court declined to exercise jurisdiction over Shure's declaratory judgment claim with respect to the '553 Patent, noting that "[t]he '553 patent is currently in reissuance proceedings before the Patent and Trademark Office, and the Patent Trial and Appeal Board recently granted *inter partes* review of the patent." (*See Shure Inc. v. ClearOne, Inc.*, Case No. 17-cv-03078 at Dkt. 280.)

51. On January 24, 2019, the PTAB issued its unanimous Final Written Decision for the IPR of the '553 Patent, finding that Shure "ha[d] not demonstrated by a preponderance of the evidence that any of [the challenged claims] are unpatentable under 35 U.S.C. §§ 103(a)." (*See* Case No. 17-cv-03078 at Dkt. 478, Ex. A.) The PTAB panel which reached this decision consisted of three technically trained administrative patent judges: Dr. Kevin Turner (Ph.D., Physics), Joni Chang (B.Sc., Chemical Engineering), and Arthur Peslak (M.Sc., Mechanical Engineering). According to a 2017 publication, Judges Chang and Turner are two of the PTAB's most experienced patent judges; both Judge Chang and Judge Turner have presided over more than 400 PTAB trials.

52. Shure filed a Request for Rehearing ("Request") of the PTAB's Final Written Decision on February 22, 2019. Just over a month later, on March 25, 2019, the PTAB denied

Shure's Request, holding, among other things, that Shure's contentions were "without merit," "not persuasive," and "unavailing." Under the law—including 35 U.S.C. § 325(e)(2)—Shure should be estopped from asserting invalidity of the '553 Patent "on any ground that [it] raised or reasonably could have raised during th[e] post-grant review."

### **SHURE'S MISAPPROPRIATION OF CLEARONE TRADE SECRETS**

53. In the audio conferencing market, two of the principal factors that market participants, including manufacturer representatives, dealers, resellers, and distributors, take into account when choosing a conferencing product are technology and pricing. As discussed above, the BMA became successful in large part due to its unique technology—yielding improved performance—and the functionalities it could offer because of that technology. But another important driver of success for the BMA—along with ClearOne's other products—was pricing.

54. Before the BMA was first released, ClearOne spent considerable time deliberating about what the right price should be for a product with such unique technology and resultant performance. It was an arduous task, because there was no directly competitive product that it could be compared to. Accordingly, ClearOne developed pricing for the BMA by examining, among other things, the benefits the BMA offered above and beyond benefits offered by existing products at the time, costs of procuring and installing existing products, and costs of manufacturing the BMA. ClearOne then worked into its pricing tiered discounts for its manufacturer representatives, dealers, resellers, and distributors based on purchasing volume and other factors. ClearOne developed this pricing to gain a competitive advantage over other products in the market.

55. Price lists are a "secret sauce" in the audio-visual conferencing industry. The publicly-available MSRP prices for conferencing products have only indicative value, as bids for

projects are rarely won based on MSRP prices. Instead, dealers, integrators, and use resellers win bids by offering confidential discounts and preferential pricing. Industry participants thus take significant measures and time to develop their price lists, and to ensure that they are not being released to their competitors.

56. ClearOne memorialized its prices for the BMA and its other products in highly confidential distributor and dealer price lists, specific to each region that it operated in. In the United States, ClearOne called these price lists “North America Pricing Guides.” Price lists in the United States were offered under different tiers, namely Distributor, Platinum Dealer, Gold Dealer and Dealer. ClearOne shared these price lists with its manufacturer representatives, dealers, resellers, and distributors to ensure that they had up-to-date pricing—applicable to particular distributors or dealers based on the tier to which they belonged—when deciding between ClearOne and other products for end users. And ClearOne ensured that the dealers, resellers, and distributors got access to only the price list applicable to them based on whether they were a Distributor, a Platinum Dealer, a Gold Dealer, or a Dealer.

57. Although ClearOne had to share its highly confidential price lists to carry out its business, ClearOne took numerous steps to keep the price lists confidential, and especially to keep the price lists out of the hands of ClearOne’s competitors. It was—and is—important for ClearOne to keep the price lists secret because the price lists provide ClearOne a competitive advantage in selling its products. ClearOne strategically uses the price lists to offer confidential discounts and preferential pricing to be competitive and win projects. ClearOne has a clear advantage in the market when it can provide the best conferencing product at the best prices. However, if the price lists were disclosed publicly, competitors—like Shure—could use the knowledge of ClearOne’s confidential discounts and preferential pricing to undercut ClearOne’s

prices. The competitors would then be positioned as the more price-efficient conferencing option and would gain goodwill from manufacturer representatives, dealers, resellers, distributors, and end users at the expense of ClearOne. In addition, even if competitors who got access to ClearOne's highly confidential price lists did not use those lists to undercut ClearOne's prices, they could use their knowledge of ClearOne's prices to, among other things, protect their price from getting too low and save time by not bidding for projects that they know, based on ClearOne's prices, would not let them obtain the required margins. Moreover, competitors could quote a slightly lower price than they would otherwise—even if higher than ClearOne's—and then attempt to justify their only-slightly-increased price to purchasers.

58. ClearOne's efforts to maintain the confidentiality of the price lists started with marking every page of the price lists with a "ClearOne Confidential" stamp to make it clear to any reader that the price lists were (and contained) ClearOne's confidential information.

59. Internally, ClearOne locks down and secures access to the highly confidential price lists. IT restricts access to the price lists to only those ClearOne employees who have a need to access and view the price lists—*e.g.*, an engineer does not have access to the price lists. If an employee without access wants to obtain access to the price lists, the employee needs to get authorization from his/her manager and then also obtain authorization from the ClearOne Sr. Vice President of Finance. Once granted access, the employee only has access to the specific price lists they require, not every ClearOne price list. For example, sales persons only have access to the price lists applicable to their regions. These strict requirements are part of ClearOne's internal IT controls that are key to its public reporting and in compliance with the requirements of the Sarbanes-Oxley Act of 2002. These practices and policies have been in place at all times relevant to this lawsuit.

60. Moreover, ClearOne employees are, as a condition of their employment, required to execute a non-disclosure agreement in which they agree, among other things, not to improperly use and/or disclose ClearOne confidential information and trade secrets during or after the course of their employment at ClearOne. ClearOne employees are reminded of their covenants of confidentiality throughout their employment, including in the Employee Handbook, which they need to periodically sign to acknowledge receipt and understanding. Employees' confidentiality obligations pursuant to these signed agreements apply throughout their employment and beyond termination.

61. Similar restrictions apply to external recipients, including sales channel partners such as manufacturer representatives, dealers, resellers, and distributors. Before sending any highly confidential price lists, ClearOne requires external recipients to sign agreements with broad confidentiality clauses that prohibit them from disclosing this confidential information to anyone outside of ClearOne's sales channel or to anyone without a need to know. For example, one such confidentiality clause states:

“Reseller understands and acknowledges that in order to facilitate the business arrangements contemplated by this Agreement, certain confidential and proprietary technical, financial and/or business information of ClearOne will be disclosed to Reseller. This confidential and proprietary information includes, without limitation, all proprietary inventions, sales support materials, processes, product design(s), drawing and schematics of product design(s), methods of doing business, pricing, marketing programs, and other data and information, whether patented or not, heretofore or hereafter developed or acquired by ClearOne in the course of the design, manufacture, marketing, or sale of or otherwise relating to the Products or future conceptual or unreleased products. Reseller

acknowledges that all ClearOne Confidential Information is the exclusive property and trade secrets of ClearOne. Reseller agrees not to use or disclose any ClearOne

Confidential Information in any manner adverse to the best interests of ClearOne.”

Finally, ClearOne only sends external partners the specific price list applicable to them, which depends on their region and purchasing tier. For example, a dealer in Illinois in March 2016 would only receive the North American Dealer price list for March 2016 that relates to that dealer’s partner level, not the price lists for any other region, any other period, or any other partner level. ClearOne transmits the highly confidential price lists via e-mail to external partners in e-mails that state that the “electronic mail message and any attachment is confidential.”

62. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

63. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

64. [REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

65. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

66. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

67. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

68. Shure's brazen and illegal conduct has yielded it considerable benefit. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

69. The effects on ClearOne are also clear: among other things, lost sales and loss of goodwill due to Shure's anticompetitive behavior.

## **COUNT I**

### **Claim for Relief for Patent Infringement of the '553 Patent**

70. ClearOne incorporates by reference paragraphs 1 through 69 and Exhibits A-G attached hereto.

71. ClearOne is the owner of all rights, title, and interest in the '553 Patent. The '553 Patent issued on February 16, 2016.

72. The '553 Patent is valid and enforceable. Indeed, under the law—including

35 U.S.C. § 325(e)(2)—Shure should be estopped from asserting invalidity “on any ground that [it] raised or reasonably could have raised” during the IPR Shure lost while attempting to challenge the validity of the ’553 Patent.

73. Defendant Shure manufactures, uses, offers to sell, and sells beamforming microphone arrays and digital signal processing platforms and thereby directly infringes at least one claim of the ’553 Patent. Shure advertises, encourages, and instructs its customers to make, use, offer to sell, and/or sell infringing integrated systems consisting of Shure’s beamforming microphones (such as the MXA910 and MXA310) and digital signal processors that perform acoustic echo cancellation (such as Shure’s IntelliMix P300, QSC’s Q-SYS platform, and Biamp’s Tesira/TesiraFORTE audio processors and software). Upon information and belief, the Shure beamforming microphones practice a material part of the claimed invention of the ’553 Patent, have no substantial non-infringing use, and are marketed and sold to be used together with a digital signal processor that performs acoustic echo cancellation.

74. Shure’s beamforming microphones are intended for audio and video conferencing. *See, e.g.*, Exhibit H (Shure MXA310 User Guide Excerpt) at 1 (“The Microflex® Advance™ table array is a premium networked tabletop microphone for AV conferencing environments, including boardrooms, huddle rooms, and multi-purpose spaces.”); Exhibit I (Shure MXA910 User Guide Excerpt) at 1 (“The Microflex® Advance™ Ceiling Array is a premium networked array microphone for AV conferencing environments, including boardrooms, huddle rooms, and multi-purpose spaces.”). Upon information and belief, for audio conferencing purposes, the Shure MXA910 and MXA310 beamforming microphones require acoustic echo cancellation (“AEC”). The AEC functionality is provided to the MXA910 by digital signal processors such as by Shure’s IntelliMix P300, QSC’s Q-SYS platform, and

Biamp's Tesira/TesiraFORTE audio processors and software. These integrated systems thus infringe the '553 patent, including by performing beamforming operations that combine microphone signals into signals corresponding to fixed beams, and then perform acoustic echo cancellation on the combined signals.

75. In addition, Shure has formed joint enterprises with several AV hardware and software providers, including both Biamp and QSC, to manufacture and sell these infringing integrated systems to customers. *See, e.g.*, Exhibit J (2017-02-07 Press Release) ("Shure Expands Partnership Program With Leading AV Hardware and Software Providers ... [including] Biamp, QSC ...."); Exhibit K (QSC-Shure Software Integration Alliance (accessed Apr. 9, 2019)) ("Shure and QSC have co-developed a control plugin for their Microflex Wireless microphone series." In addition, specific microphones in the Shure catalog, including the Microflex Wireless series, can pass audio to the Q-SYS Platform via AES67, all without additional Dante I/O card hardware."); Exhibit L (2017-01-09 Press Release) ("QSC, LLC and Shure Incorporated are proud to announce an expanded level of integration between Shure Microflex® Advance™ and Microflex® Wireless microphones with the entire Q-SYS™ Platform. The partnership includes the release of new control plug-ins for the Shure MXA910 Ceiling Array Microphone and Microflex Wireless microphone systems."); Exhibit M (2016-12-06 Press Release) (Biamp is "excited to come together with an industry leader like Shure in an effort to streamline the integration of [their] products"; "Adding Shure microphone-specific software blocks to [Biamp] Tesira's cutting-edge software made sense; it allows system designers to easily incorporate the power of Shure mics with the power of [Biamp] Tesira."); Exhibit N (2018-10-02 Biamp Article) ("The purpose of this article is to provide a starting point to aid in the successful deployment of the [Biamp] TesiraFORTÉ DAN with Shure

MXA910 and/or MXA310 microphone arrays.”); Exhibit O (Shure Q&A) (answering that customers can use QSC Qsys with MXA310). Shure thereby jointly infringes one or more claims of the ’553 Patent, including claims 1, 8, and 15 of the ’553 Patent, by conditioning the receipt of a benefit to the end user on performing the steps outlined in the ’553 Patent. And Shure uses, offers to sell and/or sells in the United States, and/or imports into United States, the infringing integrated systems.

76. Shure has also induced and continues to induce infringement of one or more claims of the ’553 Patent, including, without limitation, claims 1, 8, and 15 of the ’553 Patent, by supplying, advertising and/or providing instructions for the infringing integrated systems with the specific intent that its customers infringe the ’553 Patent despite knowledge that its customers’ induced acts infringe the ’553 Patent. Shure has also contributorily infringed and continues to contributorily infringe one or more claims of the ’553 Patent, including, without limitation, claims 1, 8, and 15 of the ’553 Patent, by, despite its knowledge of the ’553 Patent, offering to sell and selling within the United States, or importing into the United States, material components of the claimed invention in the ’553 Patent that have no substantial non-infringing use to Shure’s customers, knowing such components are especially made or adapted for use to infringe the ’553 Patent.

77. In addition, upon information and belief, Shure has supplied and continues to supply—from the United States to foreign countries—the individual components (including hardware, software, and firmware) of the MXA910, MXA310, and IntelliMix P300 which constitute all or a substantial portion of the components of the apparatus claimed in the ’553 Patent. Shure is inducing the combination of these individual components—into the apparatus claimed in the ’553 Patent—outside of the United States in at least Shure’s Juarez, Mexico

manufacturing plant.

78. Upon information and belief, Shure has also supplied and continues to supply—from the United States to foreign countries including but not limited to China, Brazil, and Germany—the completed MXA910, MXA310, and IntelliMix P300, which individually constitute a substantial portion of the components of the '553 Patent. Shure is inducing its customers into combining the MXA910 and MXA310 with the P300, Tesira/TesiraFORTE, or Q-SYS audio DSP mixers outside of the United States.

79. Shure is intending and inducing each of the aforementioned combinations despite its knowledge that these combinations would infringe the '553 Patent if they occurred in the United States.

80. In addition, upon information and belief, Shure has supplied and continues to supply—from the United States to foreign countries including but not limited to China, Brazil, and Germany—the MXA910 and MXA310 microphones, despite knowing that it is not a staple article suitable for substantial noninfringing use, but is especially made or adapted for use in an infringing combination with the P300, Tesira/TesiraFORTE, or Q-SYS. Shure is intending that the MXA910 and MXA310 be combined with the P300, Tesira/TesiraFORTE, or Q-SYS.

81. Shure is intending and inducing each of the aforementioned combinations despite its knowledge that these combinations would infringe the '553 Patent if they occurred in the United States.

82. Shure knew of the '921 Application, including after its issuance as the '553 Patent. Indeed, Shure filed litigation against ClearOne relating to the '553 Patent.

83. Shure's infringement is willful.

84. ClearOne has suffered and continues to suffer damages and irreparable harm

because of Shure's past and ongoing infringement.

85. Unless Shure's infringement is enjoined, ClearOne will continue to be damaged and irreparably harmed. ClearOne meets the criteria for, and is entitled to, temporary, preliminary, and permanent injunctive relief.

## **COUNT II**

### **Claim for Misappropriation of Trade Secrets Under the Defend Trade Secrets Act (18 U.S.C. § 1836, et seq.)**

86. ClearOne incorporates by reference paragraphs 1 through 85 and Exhibits A-O attached hereto.

87. ClearOne's highly confidential price lists constitute protectable trade secrets under the federal Defend Trade Secrets Act, codified at 18 U.S.C. § 1836 et seq. ("DTSA"). ClearOne's successful business is directly dependent upon maintaining the secrecy of its trade secrets and other confidential and proprietary information. ClearOne's nonpublic price lists for its products are business and economic information. The price lists derive independent economic value from being nonpublic because they provide ClearOne a competitive advantage in being able to offer preferable pricing to sell its products. If the price lists were publicly available, ClearOne's competitors would be able to use the price lists to, among other things, undercut ClearOne and win sales and harm ClearOne's ability to maintain fair and orderly pricing among its channel partners.

88. ClearOne's highly confidential price lists are meant to be used to sell ClearOne's products throughout the United States and worldwide. Accordingly, ClearOne's trade secrets at issue are related to a product or service used in, or intended for use in, interstate commerce.

89. ClearOne takes reasonable measures to keep its highly confidential price lists confidential. For example, it includes broad confidentiality provisions in its contracts with

manufacturer representatives, dealers, resellers, and distributors to ensure that they do not share the price lists outside of the ClearOne sales channel. Moreover, ClearOne routinely marks the dealer price lists “Confidential” to make it clear that the price lists are not meant to be shared outside of those with a need to know. ClearOne also restricts the dissemination of price lists both internally at ClearOne and externally to manufacturer representatives, dealers, resellers, and distributors. Only employees with express authorization of the Sr. Vice President of Finance and their manager are authorized access to the price lists and, even then, only the specific price lists they require. With respect to external persons, only those specific price lists are shared that will assist the manufacturer representatives, dealers, resellers, and distributors in selling ClearOne products and the e-mail transmittal of the price lists contains language making clear to the recipient that the communication and attachment are confidential.

90. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

91. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

92. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Shure's conduct caused ClearOne to lose sales that it would have otherwise not lost, if not for Shure's misappropriation.

93. As a proximate result of Shure's misappropriation, ClearOne has suffered, and will continue to suffer, actual damages, and Shure will be unjustly enriched, in sums not yet ascertained. ClearOne has also suffered and will continue to suffer immediate and irreparable harm, and will continue to suffer such injury until the breaches are preliminarily and permanently enjoined.

94. Shure's misappropriation was intentional, malicious, and in bad faith. It has subjected and will continue to subject ClearOne to unjust hardship in conscious disregard of ClearOne's rights, so as to justify an award of exemplary and punitive damages according to proof at trial. Under the DTSA, ClearOne is entitled to recover its reasonable attorneys' fees as a result of Shure's willful and malicious misappropriation.

### **COUNT III**

#### **Claim for Misappropriation of Trade Secrets Under the Illinois Trade Secrets Act (765 ILCS 1065) (Against Shure)**

95. ClearOne incorporates by reference paragraphs 1 through 94 and Exhibits A to O attached hereto.

96. ClearOne's highly confidential price lists constitute protectable trade secrets, as defined in the Illinois Trade Secrets Act ("ITSA") at 765 ILCS 1065/2(d). ClearOne's successful business is directly dependent upon maintaining the secrecy of its trade secrets and other confidential and proprietary information. ClearOne's nonpublic dealer price lists for its products are business and economic information. The price lists derive independent economic value from being nonpublic because they provide ClearOne a competitive advantage in being able to offer preferable pricing to sell its products. If the price lists were publicly available, ClearOne's competitors would be able to use the price lists to, among other things, undercut ClearOne and win sales and harm ClearOne's ability to maintain fair and orderly pricing among its channel partners.

97. ClearOne takes reasonable measures to keep its price lists highly confidential. For example, it includes broad confidentiality provisions in its contracts with manufacturer representatives, dealers, resellers, and distributors to ensure that they do not share the price lists outside of the ClearOne sales channel. Moreover, ClearOne routinely marks the dealer price lists "Confidential" to make it clear that the price lists are not meant to be shared publicly. ClearOne also restricts the dissemination of price lists both internally at ClearOne and externally to manufacturer representatives, dealers, resellers, and distributors. Only employees with express authorization of the Sr. Vice President of Finance and their manager are authorized access to the price lists and, even then, only the specific price lists they require. With respect to external persons, only those specific price lists are shared that will assist the manufacturer representatives, dealers, resellers, and distributors in selling ClearOne products and the e-mail transmittal of the price lists contains language making clear to the recipient that the communication and attachment are confidential.

98.

[REDACTED]

99.

[REDACTED]

100.

[REDACTED]

[REDACTED] Shure's conduct caused ClearOne to lose sales that it would have otherwise not lost, if not for Shure's misappropriation.

101.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

102. As a proximate result of Shure's misappropriation, ClearOne has suffered, and will continue to suffer, actual damages, and Shure will be unjustly enriched, in sums not yet ascertained. ClearOne has also suffered and will continue to suffer immediate and irreparable harm and will continue to suffer such injury until the breaches are preliminarily and permanently enjoined.

103. Shure's misappropriation was intentional, malicious, and in bad faith. It has subjected and will continue to subject ClearOne to unjust hardship in conscious disregard of ClearOne's rights, so as to justify an award of exemplary and punitive damages according to proof at trial. Under the ITSA, ClearOne is entitled to recover its reasonable attorneys' fees as a result of Shure's willful and malicious misappropriation.

#### **PRAYER FOR RELIEF**

WHEREFORE, ClearOne respectfully asks that the Court enter judgment against Shure as follows:

- A. That Shure has infringed (either literally or under the doctrine of equivalents), directly, jointly, and/or indirectly by way of inducing or contributing to the infringement of, one or more claims of ClearOne's '553 Patent;
- B. That Shure's infringement of the '553 Patent was willful;
- C. For temporary, preliminary, and permanent injunctive relief enjoining Shure and its officers, directors, agents, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in active concert or participation with

it, from infringement, inducing the infringement, or contributing to the infringement of the '553 Patent;

- D. For an award to ClearOne for its damages, costs, expenses, and prejudgment and post-judgment interest for Shure's infringement of the '553 Patent as provided under 35 U.S.C. §§ 154(d) and 284;
- E. For an award to ClearOne for enhanced damages equal to treble the amount of actual damages, for the willful nature of Shure's acts of infringement as to the '553 Patent, with notice being made at least as early as the date of the filing of the complaint, as provided under 35 U.S.C. § 284;
- F. That this be declared an exceptional case within the meaning of 35 U.S.C. § 285 and that ClearOne be awarded its reasonable attorneys' fees against Shure;
- G. That Shure has misappropriated ClearOne's trade secrets under the DTSA, 18 U.S.C. § 1836, and ITSA, 765 ILCS 1065;
- H. For an award of actual loss, unjust enrichment, and/or reasonable royalty under the DTSA, 18 U.S.C. § 1836(b)(3), and ITSA, 765 ILCS 1065/4;
- I. For injunctive relief and/or an imposition of a reasonable royalty as compensation for future use, under the DTSA, 18 U.S.C. § 1836(b)(3), and ITSA, 765 ILCS 1065/3;
- J. For an award of reasonable attorney's fees under the DTSA, 18 U.S.C. § 1836(b)(3)(D), and ITSA, 765 ILCS 1065/5; and

For any and all other relief to which ClearOne may show itself to be entitled.

Dated: April 10, 2019

By: /s/ Garret A. Leach

John C. Hueston, *pro hac application  
forthcoming*  
Douglas J. Dixon, *pro hac application  
forthcoming*  
Christina V. Rayburn, *pro hac  
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*Attorneys for ClearOne, Inc.*

# EXHIBIT D

CONTACT US  
(/)

HOST A MEETING ([HTTPS://WWW.COLLABORATESPACE.NET/#/HOSTMEETING](https://www.collaboratespace.net/#/HOSTMEETING))

JOIN A MEETING ([HTTPS://WWW.COLLABORATESPACE.NET/#/MEETING](https://www.collaboratespace.net/#/MEETING))

LOGIN (/USER/LOGIN?CURRENT=CONTACT\_US)



# Contact Us

LET'S CHAT

First Name

Last Name

Email

Company

Phone



How can we help you?

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**SUBMIT**

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# EXHIBIT E

10-K 1 clro20181231\_10k.htm FORM 10-K

[Table of Contents](#)**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549****Form 10-K**

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2018

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-33660**CLEARONE, INC.**

(Exact name of registrant as specified in its charter)

Delaware(State or other jurisdiction of incorporation or  
organization)87-0398877

(I.R.S. employer identification number)

5225 Wiley Post Way, Suite 500, Salt Lake City, Utah

(Address of principal executive offices)

84116

(Zip Code)

Registrant's telephone number, including area code: (801) 975-7200

Securities registered pursuant to Section 12(b) of the Act:

**Title of each class**Common Stock, \$0.001 par value**Name on each exchange on which registered**The NASDAQ Capital MarketSecurities registered pursuant to Section 12(g) of the Act: NoneIndicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ NoIndicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ NoIndicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ NoIndicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ NoIndicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act. (Check one):

Larger Accelerated Filer ☐

Accelerated Filer ☐

Non-Accelerated Filer ☐

Smaller Reporting Company ☒

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell Company (as defined in Rule 12b-2 of the Act). ☐Yes ☒No

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The aggregate market value of the shares of voting common stock held by non-affiliates was approximately \$16.8 million at June 30, 2018, (the Company's most recently completed second fiscal quarter), based on the \$3.85 closing price for the Company's common stock on the NASDAQ Capital Market on such date. For purposes of this computation, all officers, directors, and 10% beneficial owners of the registrant are deemed to be affiliates. Such determination should not be deemed to be an admission that such officers, directors, or 10% beneficial owners are, in fact, affiliates of the registrant.

The number of shares of ClearOne common stock outstanding as of April 12, 2019 was 16,630,597.

#### DOCUMENTS INCORPORATED BY REFERENCE

Information required by Part III is incorporated by reference from registrant's proxy statement for the 2019 annual meeting of shareholders or an amendment to this Annual Report on Form 10-K, which will be filed with the Securities and Exchange Commission within 120 days after the end of its fiscal year ended December 31, 2018.

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## CLEARONE, INC.

## Annual Report on Form 10-K For the year ended December 31, 2018

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This report contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements reflect our views with respect to future events based upon information available to us at this time. These forward-looking statements are subject to uncertainties and other factors that could cause actual results to differ materially from these statements. Forward-looking statements are typically identified by the use of the words “believe,” “may,” “could,” “will,” “should,” “expect,” “anticipate,” “estimate,” “project,” “propose,” “plan,” “intend,” and similar words and expressions. Examples of forward-looking statements are statements that describe the proposed development, manufacturing, and sale of our products; statements that describe expectations regarding pricing trends, the markets for our products, our anticipated capital expenditures, our cost reduction and operational restructuring initiatives, and future impact of regulatory developments; statements with regard to the nature and extent of competition we may face in the future; statements with respect to the anticipated sources of and need for future financing; and statements with respect to future strategic plans, goals, and objectives and forecasts of future growth and value. Forward-looking statements are contained in this report under “Business” included in Item 1 of Part I, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in Item 7 of Part II of this Annual Report on Form 10-K. The forward-looking statements are based on present circumstances and on our predictions respecting events that have not occurred, that may not occur, or that may occur with different consequences and timing than those now assumed or anticipated. Actual events or results may differ materially from those discussed in the forward-looking statements as a result of various factors, including the risk factors discussed in this report under the caption “Item 1A Risk Factors.” These cautionary statements are intended to be applicable to all related forward-looking statements wherever they appear in this report. The cautionary statements contained or referred to in this report should also be considered in connection with any subsequent written or oral forward-looking statements that may be issued by us or persons acting on our behalf. Any forward-looking statements are made only as of the date of this report and we assume no obligation to update forward-looking statements to reflect subsequent events or circumstances.

**PART I**

References in this Annual Report on Form 10-K to “ClearOne,” “we,” “us,” “CLRO” or “the Company” refer to ClearOne, Inc., a Delaware corporation, and, unless the context otherwise requires or is otherwise expressly stated, its subsidiaries.

**ITEM 1. BUSINESS****GENERAL**

ClearOne, Inc. (the Company) was incorporated in Utah in 1983 and reincorporated in Delaware on October 25, 2018. The Company is headquartered in Salt Lake City, Utah. The Company has other locations in Gainesville, Florida; Austin, Texas; Zaragoza, Spain; Shenzhen, China; Chennai, India; and Dubai, United Arab Emirates.

We have been a global market leader enabling conferencing, collaboration, and network streaming solutions. We design, develop and sell conferencing, collaboration and network streaming solutions for voice and visual communications. The performance and simplicity of our advanced comprehensive solutions offer unprecedented levels of functionality, reliability and scalability.

Our comprehensive line of high-quality conferencing and collaboration products are targeted for large, medium and small businesses, as well as for personal use. We have been a global market leader in the installed professional audio conferencing market, where our products are used in numerous industries such as enterprise, healthcare, education, government, legal and finance.

We have an established history of product innovation and plan to continue to apply our expertise in audio, video and networked AV to design, develop and introduce innovative new products and enhance our existing products. Our end-users range from some of the world’s largest and most prestigious companies and institutions to small and medium-sized businesses, higher education and government organizations, as well as individual consumers. We sell our commercial products to these end-users through a global network of independent distributors who, in turn, sell our products to dealers, systems integrators and other value-added resellers. We also sell directly to dealers, systems integrators and other value-added resellers. Our solutions save end-users time and money by creating a natural environment for collaboration and communication. Our partners, who are involved in system integration are benefitted with simpler project design and support costs with our products designed and built to work with each other seamlessly.

On December 4, 2018, we closed a subscription rights offering (the “Rights Offering”) in which we raised \$10.0 million in gross proceeds. In the Rights Offering, we issued one subscription right to each of our shareholders for each share of our common stock that they held. Each subscription right entitled the shareholder to purchase one share of our common stock at a purchase price of



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[Table of Contents](#)**ITEM 1-BUSINESS****Company Information**

Our website address is <http://www.clearone.com>. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to such reports are available, free of charge, on our website in the “Investor Relations” section under “Company.” These reports are made available as soon as reasonably practicable after we file such material with, or furnish it to, the SEC. These reports are also available on the SEC’s website, which is located at <http://www.sec.gov>.

For a discussion of certain risks applicable to our business, results of operations, financial position, and liquidity, see the risk factors described in “Item 1A, Risk Factors” below.

**Our Business Strategy**

The Company’s primary challenge is the loss in revenue due to infringement of our patents by competitors and consequent reduction in cash flows due to operating losses and litigation costs. Our current strategy consists of the following three elements to overcome this adverse situation:

- Continue our product innovation to bring to market products that are needed by our partners and end-users
- Cut costs to operate efficiently
- Defend our intellectual property through litigation

We currently participate in the following markets:

- All aspects of audio conferencing including installed professional audio conferencing through DSP mixers, USB based speakerphones and table-top conferencing;
- Professional microphones to support audio and video collaboration through patented beamforming microphones, ceiling microphones and wireless microphones;
- Visual collaboration in all forms including low-cost room appliances, professional cameras, Bring-Your-Own-Device and cloud video services encompassing conferencing, interactive whiteboarding, webinar, and wireless sharing; and
- Audio Visual Networking which includes network media streaming, video walls, sound reinforcement and audio distribution.

Our business goals are to:

- Maintain our leading global market share in professional installed audio conferencing products for large businesses and organizations;
- Position ClearOne as the preferred AV channel partner uniquely offering a complete value-chain of natively integrated solutions from audio to video maximizing AV channel partner profitability;
- Extend total addressable market from installed audio conferencing beachhead to adjacent complementary markets – microphones, video collaboration and AV networking;
- Continue to leverage the video conferencing, collaboration and AV networking technologies to enlarge our current market share;
- Focus on the small and medium business market with appropriately scaled, lower cost and less complex products and solutions;
- Capitalize on the growing influence of information technology channels in the audio-visual market and introduce more solutions to these channels;
- Capitalize on the convergence of audio visual and information technology to meet enterprise and commercial multimedia needs and the endusers’ transition from high-priced systems to low cost, complete AV room solutions and cloud services;
- Leverage software-based platforms across all our product lines; and
- Expand and strengthen our sales channels.

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## ITEM 1- BUSINESS

We will continue to focus on our core strengths, which include the following:

- Providing a superior conferencing and collaboration experience;
- Delivering the complete value chain for audio visual communication;
- Extending our capabilities in product innovation through software based video collaboration and AV networking
- Offering greater innovation, interoperability and value to our end-users and channel partners;
- Leveraging and extending ClearOne technology, leadership and innovation;
- Leveraging our strong domestic and international channels to distribute new products; and
- Strengthening existing end-user and channel partner relationships through dedicated and comprehensive support.

### PRODUCTS

Our products can be broadly categorized into the following:

- Audio conferencing including installed DSP based professional audio conferencing, USB-based speakerphones and table-top audio conferencing
- Professional microphones consisting of patented beamforming microphones, ceiling microphones and wireless microphones; and
- Video products including video collaboration and AV networking

### AUDIO CONFERENCING

Our full range of audio conferencing products include (i) professional installed DSP based audio conferencing and sound-reinforcement products used in enterprise, healthcare, education and distance learning, government, legal and finance organizations, (ii) mid-tier premium conferencing products for smaller rooms and small and medium businesses which interface with video and web conferencing systems, (iii) affordable USB-based speakerphones that can be used with PCs, laptops, tablets, smartphones, and other portable devices, and (iv) traditional tabletop conferencing phones used in conference rooms and offices.

Our audio conferencing products feature our proprietary HDConference®, Distributed Echo Cancellation® and noise cancellation technologies to enhance communication during a conference call by eliminating echo and background noise. Most of our products also feature some of our other HDConference proprietary audio processing technologies such as adaptive modeling and first-microphone priority, which combine to deliver clear, crisp and full-duplex audio. These technologies enable natural and fatigue-free communication between distant conferencing participants.

Our audio conferencing products contributed 49.5% and 50.4% of our consolidated revenue in 2018 and 2017, respectively.

#### *Professional installed audio conferencing and sound reinforcement*

We have been a global market leader in the professional installed audio conferencing market. We have been a pioneer in the development of high-end, professional conferencing products and we have established strong brand recognition for these products worldwide. Our installed professional conferencing products include the CONVERGE® Pro 2, CONVERGE Pro and CONVERGE SR product lines.

Our flagship CONVERGE Pro 2 and CONVERGE Pro product lines lead our professionally installed audio products line. The CONVERGE Pro product line includes the CONVERGE Pro 880, CONVERGE Pro 880T, CONVERGE Pro 880TA, CONVERGE Pro 840T, CONVERGE Pro 8i, CONVERGE Pro TH20 and CONVERGE Pro VH20, and the CONVERGE SR product line including CONVERGE SR1212 and SR1212A which together offer various levels of integration and features to allow a commercial system integrator to optimize a system to fit diverse conferencing applications and environments.

We began shipping a limited number of SKUs of the latest generation of CONVERGE Pro products broadly called as CONVERGE Pro 2 at the end of 2016. We added more SKUs to CONVERGE Pro 2 line which now includes CONVERGE Pro 2 128, CONVERGE Pro 2 128D, CONVERGE Pro 2 128T, CONVERGE Pro 2 128TD, CONVERGE Pro 2 128V, CONVERGE Pro 2 128VD, CONVERGE Pro 2 120, CONVERGE Pro 2 012, CONVERGE Pro 2 48T, CONVERGE Pro 2 48V, CONVERGE Pro 2 128SR and CONVERGE Pro 2 128SRD. We began shipping all SKUs in the CONVERGE Pro 2 line of products in 2017.

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CONVERGE Pro 2's broad DSP platform satisfies clients' diverse audio needs with these features:

- Best-in-class audio delivered through next-gen Acoustic Echo Cancellation and Noise Cancellation processing with Acoustic Intelligence, advanced microphone gating and built-in DARE™ feedback elimination.
- Powerful architecture with smaller footprint – 12 Mic/line inputs per unit, built-in USB audio interface, built-in optional Dante™ for networked audio.
- Daisy-chainable design to support up to 144 Mic/line inputs, C-Link expansion bus with 64 channels and P-Link bus for scalable connection of peripheral devices including any combination of ClearOne peripheral devices, such as the new Beamforming Microphone Array 2, USB Expander unit, GPIO Expander unit and/or the new DIALOG® 20 Wireless Microphone system.
- Supports video conferencing, audio and web conferencing, Skype® for Business meetings, in-room meetings, wireless presentation, and more.
- Integration of VoIP or telephony, USB, and Dante™ for maximum functionality.
- A new expansion bus that delivers increased audio-channel scalability to support large audio projects.
- Ability to control local meeting rooms and audio distribution applications with flexible options – touch panel controller, BYOD dialer apps or 3rd party control modules.
- Configure, manage, monitor and troubleshoot the entire system of auto-discovered devices with MatrixView™ and FlowView™ for visualized audio signal paths.

CONVERGE Pro 2 line of products is ably supported by a touch panel controller, a GPIO expansion box and a USB expansion box. CONVERGE Pro 2 VoIP SKUs are certified to interoperate with Cisco, Avaya and ShoreTel SIP based VoIP systems and also interoperate with Microsoft Skype for Business.

#### *Mid-Tier Premium Conferencing*

Our INTERACT® product line is a mid-tier, lower cost, conferencing product line designed to meet the needs of our larger customers with smaller conferencing rooms as well as small and medium businesses. The INTERACT product series is comprised of the INTERACT AT and the INTERACT Pro. Both systems can be easily connected to enterprise telephones, analog POTS lines, existing HD video codecs and soft video clients. These INTERACT systems also include a USB audio interface to connect to PCs, laptops and tablets, as well as to rich multimedia devices, such as video or web conferencing systems and emerging unified communication systems for enhanced collaboration.

During 2018, we introduced and started shipping CONVERGE Huddle, another addition to the mid-tier premium conferencing line. CONVERGE Huddle is a versatile solution for multiple use huddle room environments at a price point that meets budget requirements for audio and video collaboration applications. CONVERGE Huddle connects to ClearOne or third-party peripheral devices, such as microphones, speakers, cameras, and display screens and applications such as Spontania®, Skype® for Business, GoToMeeting™, WebEx® through single clutter-free connection via USB 3.0 to laptop. It comes with the latest Acoustic Echo Cancellation and Noise Cancellation algorithms and a user-friendly CONSOLE® software. It can be mounted easily under a table, behind a display, on a wall or in a rack.

#### *Speakerphone*

Our CHAT® product line of speakerphones includes affordable and stylish USB based personal and group speakerphones. CHAT speakerphones provide full-duplex and rich full bandwidth frequency response for superior audio clarity. CHAT products are designed for a wide variety of applications and devices (fixed or portable) for greatly enhanced collaboration wherever and whenever needed. CHAT speakerphones are offered either as personal speakerphones under CHAT 50, CHAT 60 or CHAT 70 SKUs or as group speakerphones under CHAT 150, CHAT 160 and CHAT 170 SKUs.

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CHAT 50/60/70 personal speakerphones are approximately the size of a deck of cards, and connect to PCs and MACs for rich, clear, hands-free audio and playback. CHAT 150 group speakerphones are designed for small group use. These can also connect many of the same devices and applications as the CHAT personal speakerphones but feature three microphones in larger design for use by a larger number of participants. CHAT 150/160/170 group speakerphones have the ability to add high-quality, full-duplex speakerphones to user enterprise telephone handsets such as Avaya and Cisco. CHAT group speakerphones make it possible to introduce rich, crystal clear conferencing capability without the need for introducing a separate traditional conference phone. CHATAttach® is comprised of two CHAT 150 group speakerphones which can be daisy-chained together to function as a single conferencing system for much larger coverage than a single CHAT 150. CHAT group speakerphones are integral to our media collaboration product line as our media collaboration products are tightly integrated with CHAT group speakerphones for high quality audio experience.

*Tabletop Conferencing*

Our tabletop conferencing product line offered under MAX® brand is comprised of the following product families: MAX EX and MAXAttach® wired conference phones; MAX Wireless and MAXAttach Wireless conference phones; and MAX IP and MAXAttach IP conferencing phones. Designed for use in executive offices or small conference rooms with multiple participants, MAX Wireless can be moved from room to room within 150 feet of its base station. MAXAttach Wireless was the industry's first and remains the only dual-phone, completely wireless solution. This system gives customers tremendous flexibility in covering larger conference room areas. MAX EX and MAXAttach wired phones can be daisy chained together, up to a total of four phones. This provides even distribution of microphones, loudspeakers, and controls for better sound quality and improved user access in medium to large conference rooms. In addition, all MAXAttach wired phones can be used separately when they are not needed in a daisy-chain configuration. MAX IP and MAXAttach IP are VoIP tabletop conference phones which are based on the industry-standard SIP signaling protocol. These phones can also be daisy-chained together, up to a total of four phones.

**PROFESSIONAL MICROPHONES**

Our microphones contributed 32.0% and 32.1% of our consolidated revenue in 2018 and 2017, respectively.

*Beamforming Microphone Array*

ClearOne began shipping the first generation Beamforming Microphone Array in March 2013. This product works with CONVERGE Pro 880, CONVERGE Pro 880T, CONVERGE Pro 880TA and CONVERGE Pro 840T.

Beamforming Microphone Array 2, the next generation Beamforming Microphone Array started shipping in the last quarter of 2017 and affirmed ClearOne's clear industry leadership with the following outstanding features:

- Significantly enhanced and new echo cancellation, using direction of arrival determination for demanding acoustic environments.
- Acoustic intelligence with adaptive ambience - faster convergence and better adaptation to changes in room acoustics, such as ambient noise from chairs moving, doors closing, chatter in the background, or any spikes in sound that alter the path of the audio, using separate acoustic echo cancellation for each fixed beam and inhibiting beam selection when the far end is active.
- Dramatically better mic pickup, including using an augmenting microphone signal, sharpening the capability to detect softer voices.
- Natural and clearly intelligible audio, even when two people speak at once.
- Zero consumption of analog I/O and signal processing in the DSP mixer leaving those resources available for other needs.
- Single cable for power, audio and control.
- Two power options – P-Link and POE.
- Daisy-chains with all ClearOne P-Link devices and works with CONVERGE Pro 2 DSP AEC mixers.
- Easy configuration and management through CONSOLE software.

[Table of Contents](#)**ITEM 1 - BUSINESS***Ceiling Microphone Array*

The ClearOne Ceiling Microphone Array enhances almost any professional conferencing application which demands high-quality audio. The Ceiling Microphone Array is easily installed and combines affordability with exceptional audio quality. With three wide-range microphones mounted together into a single unit array, the Ceiling Microphone Array provides the rich sound of three individual unidirectional microphones while maintaining full 360-degree coverage.

This product line was further strengthened in 2018 by the introduction of the Ceiling Microphone Array Analog-X and Ceiling Microphone Array Dante series of ceiling microphones. These products feature superior sound quality, adjustability for desired height from 0 to 7 feet and numbered microphone elements for easy identification

*Wireless Microphones*

In 2013, ClearOne introduced WS800 Wireless Microphone Systems, including four new models of wireless microphones/transmitters (Tabletop/boundary, Gooseneck, Handheld, Bodypack) and a base-station receiver with either 4 or 8 channels, which connect to professional audio mixers. Since the Sabine acquisition in 2014, our portfolio of wireless microphone systems was enhanced by the introduction of digital compressed versions, Dante standard compatible versions and more frequency ranges catering to various international markets.

During 2017, we started shipping DIALOG<sup>®</sup> 20, the two-channel wireless microphone system. Leveraging the full power of ClearOne's robust, adaptive frequency-hopping "spread" spectrum technology within the 2.4 GHz unlicensed spectrum, DIALOG 20 has several advantages over fixed-frequency transmission. DIALOG 20 incorporates flexible features and multiple options usually available only in much larger systems. While DIALOG 20 works seamlessly with all commercially available mixers, it boasts additional features when natively interfacing with our new CONVERGE Pro 2 or new Beamforming Microphone Array 2.

**VIDEO**

Our video products include video collaboration and AV networking products. Our video products contributed 18.5% and 17.5% of our consolidated revenue in 2018 and 2017, respectively.

*Video Collaboration:*

Our Media Collaboration suite of products is led by our comprehensive portfolio of industry-leading COLLABORATE<sup>®</sup> branded videoconferencing and collaboration solutions.

COLLABORATE Pro 300: includes video appliance, UNITE<sup>®</sup> 150 camera, CHAT<sup>®</sup> 150C speakerphone and 90-days subscription to Spontania cloud video, audio and web conferencing, SIP/H.323 video conferencing, in-room wireless presentation and optional Skype<sup>®</sup> for Business native integration. This solution is targeted for huddle and small-size rooms.

COLLABORATE Pro 600: includes video appliance, UNITE 200 camera, CHATAttach<sup>®</sup> 150 speakerphones, and 90-days subscription to Spontania cloud video, audio and web conferencing, SIP/H.323 video conferencing with 4-way built-in MCU, in-room wireless presentation, optional Skype for Business native integration, capture recording and streaming. This solution is targeted at medium-size rooms.

COLLABORATE Pro 900: includes video appliance, UNITE 200 camera, CONVERGE<sup>®</sup> Pro installed audio endpoint, Beamforming Microphone Array and 90-days subscription to Spontania cloud video, audio and web conferencing, SIP/H.323 video conferencing with 4-way built-in MCU, multi-user in-room wireless presentation, optional Skype for Business native integration, capture recording and streaming. This solution is targeted at medium and large-size rooms.

Our Media Collaboration series also include Spontania cloud video, audio and web conferencing service that can be deployed on-premises or in the cloud. Spontania offers all sort of collaboration tools such as screen sharing, application sharing, whiteboard, annotation over presentation, recording, hand-raise and chat. The service is targeted for any workspace including mobile, desktop and rooms of any size; and multiple use cases including meetings, classrooms and training sessions.

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Bring your own video and web conferencing – COLLABORATE Versa series offer a USB PTZ camera, a speakerphone and a central hub that connects the laptop to the meeting room peripherals via single USB 3.0 connectivity. COLLABORATE Versa, compatible with Cisco WebEx, Google Hangouts, Microsoft Skype for Business and more, is also bundled with 90-days subscription of Spontania cloud video, audio and web conferencing. This solution is targeted at huddle spaces and medium conference rooms.

UNITE 200/150 is a professional-grade PTZ camera series supporting USB, HDMI and IP connectivity. It delivers 1080p HD resolution, 12X optical zoom and is compatible with PC-based and Pro-AV applications, supporting wide range of meeting spaces.

*AV Networking*

Our AV networking products are primarily sold under VIEW® and VIEW Pro brands and deliver the ultimate IP A/V experience by streaming time sensitive high definition audio and video and control over TCP/IP networks. By combining audio and/or video content, meta-data and control signals into one digital stream in harmony with industry standards, its distributed, edge of the network architecture allows the hardware and the processing power to be distributed across any existing TCP/IP network. This leverages many of the advantages of using TCP/IP over traditional analog systems and other centrally controlled IP-based systems. The ClearOne VIEW and VIEW Pro products are powered by ClearOne's patented StreamNet® technology. A user can activate and control a single audio source or combination of audio sources, video sources, security systems, HVAC systems, lighting, and other room or facility monitoring functions such as paging or security access by just a single touch to its attractive touch screens. Alternatively, any PC, laptop, tablet, iPod, or other device with a built-in web browser with Flash can control the equipment connected to the system. The VIEW and VIEW Pro systems have no limits on the numbers of sources, displays, or amplifiers in a project and can be used in venues from high-end residential homes to large-scale commercial projects. The number of devices could be determined by the network bandwidth availability, number of media streams and its bandwidth requirements.

Converting an audio or video signal to TCP/IP preserves the digital quality of the signal across the network. Unlike analog systems, which lose quality over long distances, TCP/IP packets are decoded to retain the same digital quality as when they were encoded. The addition of Digital Encoder and Digital Decoder products with DVI/HDMI input and output enhances the flexibility of complete AV distribution system and makes it as easy to use as analog devices.

VIEW Pro solution provides 1080p60, H.264 high definition HDMI video-audio, 4:4:4 true-color, 24 bit per pixel video output. It comes with dual inputs encoder, single input encoder and single output decoder with balanced audio, general purpose control ports and clock synchronized video output. VIEW Pro system also provides PANORAMA™, a multi-view video composition and video-wall software application using its built-in video processing engine, without using external expensive hardware video processors. This continues to be truly differentiated in the professional market by offering complete AV streaming and distribution systems that can scale to fulfill projects of any size and complexity, from light commercial to the very largest environments. VIEW Pro products include E110 and E120 encoders and D110, D210 and D310 decoders. VIEW Pro solution also comes with multiple license options including audio mixing, video composition, video wall, multicast RTSP and local playback.

VIEW CONSOLE software gives integrators a comprehensive platform from which to configure, manage, monitor, and control VIEW system installation using an easy, modern interface. The new toolset, which spotlights the latest in advanced software development technologies, works across ClearOne's full line of VIEW/VIEW Pro products. In 2017, we released an updated version of VIEW CONSOLE and PANORAMA software applications.

During 2018, the VIEW line of products was strengthened by the introduction of VIEW Lite. The VIEW Lite series which includes an encoder, a decoder and a controller, provide essential functionality that meets the full needs of simple AV over IP applications while simultaneously delivering superb price-to-performance value.

**MARKETING AND SALES**

We use a two-tier channel model through which we sell our commercial products to a worldwide network of independent professional audiovisual, information technology and telecommunications distributors, who then sell our products to independent systems integrators, dealers, and value-added resellers, who in turn work directly with the end-users of our products for product fulfillment and installation, if needed. Our products are also specified and recommended by professional audio-visual consultants. We also sell our commercial products directly to certain dealers, systems integrators, value-added resellers, and end-users.



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Our product sales generated in the United States and outside the United States for the years ended December 31 are as follows:

Revenue in millions	2018		2017	
	Revenue	%	Revenue	%
In the United States	\$ 14.8	53%	\$ 24.6	59%
Outside United States	13.4	47%	17.2	41%
	<u>\$ 28.2</u>	<u>100%</u>	<u>\$ 41.8</u>	<u>100%</u>

We sell directly to our distributors and resellers in approximately 62 countries worldwide. We anticipate that the portion of our total product revenue from international sales will continue to be a significant portion of our total revenue as we further enhance our focus on developing new products, establishing new channel partners, strengthening our presence in key growth areas, complying with regional environmental regulatory standards, and improving product localization with country-specific product documentation and marketing materials.

#### *Distributors, Resellers and Independent Integrators*

We sold our products directly to approximately 360 distributors and direct resellers throughout the world during 2018. Distributors and resellers purchase our products at a discount from list price and resell them worldwide to hundreds of independent systems integrators, telephony value-added resellers, IT value-added resellers, and PC dealers on a non-exclusive basis. Our distributors maintain their own inventory and accounts receivable and are required to provide technical and non-technical support for our products to the next level of distribution participants. We work with our distributors and resellers to establish appropriate inventory stocking levels. We also work with our distributors and resellers to maintain relationships with our existing systems integrators, dealers, and other value-added resellers.

While dealers, resellers, and system integrators all sell our products directly to the end-users, system integrators typically add significant value to each sale by combining our products with products from other manufacturers as part of an integrated system solution. Commercial dealers and value-added resellers usually purchase our products from distributors and may bundle our products with products from other manufacturers for resale to the end-user. We maintain close working relationships with all our reseller partners and offer them education and training on all of our products.

#### *Marketing*

Much of our marketing effort is conducted in conjunction with our channel partners who provide leverage for us in reaching existing and prospective customers worldwide. We also regularly attend industry forums and exhibit our products at multiple regional and international trade shows, often with our channel partners. These trade shows provide exposure for our brand and products to a wide audience. We market our ClearOne-branded commercial products on our website [www.clearone.com](http://www.clearone.com). We also conduct public relations initiatives to get press coverage and product reviews in industry and non-industry publications alike.

#### **Customers**

Since we sell through distributors and value-added resellers, we do not have comprehensive information on end-users who ultimately use our products. As a result, we do not know whether any end-user accounted for more than 10 percent of our total revenue during any of the periods reported in this Annual Report. Our customers are distributors and value-added resellers. During the year ended December 31, 2018, no customer accounted for more than 10% of consolidated revenue. During the year ended December 31, 2017 sales to Starin Marketing represented approximately 16% of consolidated revenue with no other customer accounting for more than 10 percent. Starin Marketing ceased to be a ClearOne distributor in 2018.

As discussed above, distributors facilitate product sales to a large number of independent systems integrators, dealers, and value-added resellers, and subsequently to their end-users. The loss of one or more distributors could reduce revenue and have a material adverse effect on our business and results of operations. Our orders fulfilled on which we had not recognized revenue were \$0.3 million and \$4.6 million as of December 31, 2018 and 2017, respectively. We had a backlog of unfulfilled orders of approximately \$0.3 million and \$0.2 million as of December 31, 2018 and 2017, respectively.



[Table of Contents](#)**ITEM 1 - BUSINESS****Competition**

The audio-visual product markets are characterized by intense competition, rapidly evolving technology, and increased business consolidation. We compete with businesses having substantially greater financial, research and product development, manufacturing, marketing, and other resources. If we are not able to continually design, manufacture, and successfully market new or enhanced products or services that are comparable or superior to those provided by our competitors and at comparable or better prices, we could experience pricing pressures and reduced sales, gross profit margins, profits, and market share, each of which could have a materially adverse effect on our business. Our competitors vary within each product category. We believe we are able to differentiate ourselves and therefore successfully compete as a result of the high audio quality of our products resulting from a combination of proprietary and highly advanced audio signal processing technologies and networking technology in the form of trade secrets and patented intellectual property, technical and channel support services, and the strength of our channels and brands. It is critical for our success to be able to defend our intellectual property including trademarks, trade secrets and patents from our competitors who have far more resources.

We believe the following principal factors drive our sales:

- Quality, features and functionality, and ease of use of the products.
- Broad and deep global channel partnerships.
- Brand name recognition and acceptance.
- Effective sales and marketing.
- Quality of sales and technical support services.
- Significant established history of successful worldwide installations for diverse vertical markets.

In the professional audio conferencing system and sound reinforcement markets our main competitors include AcousticMagic, AMX Biamp, BOSE, Crestron, Extron, Harman International/BSS, Peavey, Phoenix Audio, Polycom, QSC, Shure, Symetrix, Vaddio and Yamaha and their original equipment manufacturing (OEM) partners, along with several other companies potentially poised to enter the market.

Our primary competitors in the USB-based speakerphones market are GN Netcom (Jabra), Logitech, Phoenix Audio, Plantronics, Polycom, and Yamaha and their OEM partners.

In the tabletop audio conferencing market, we face significant competition from Avaya/Konftel, Phoenix Audio, Polycom and Yamaha, and especially from their OEM partnerships. A significant portion of the tabletop market is covered by sales through OEM partnerships. While we believe MAX products have unique features and superior quality, our limited OEM partnerships and pricing pressures from higher volume competitors limit our ability to expand our existing share of this market.

In the microphones market, our primary competitors include AKG, Audio Technica, Audix, Avlex/Mipro, Beyerdynamic, Biamp, Clock Audio, Lectrosonics, Nureva, Mediavision/Taiden, Polycom, Phoenix Audio, Sennheiser, Shure, TeachLogic, TOA, Yamaha/Revolabs and Vaddio and their OEM partners.

Our video conferencing products face tremendous competition from well established players as well as emerging players, including Acano/CISCO, Adobe Connect, Amazon Chime, Avaya (Radvision), Aver, Barco, Blackboard Collaborate, Blue Jeans, Cisco, Citrix, Fuze, Huawei, InFocus, Kramer, LifeSize, Magor, Pexip, Polycom, Microsoft Skype for Business, Starleaf, Telylabs, UNIFY, Videxio, Vido, Yealink, Zoom and ZTE.

Our AV networking products face intense competition from a few well-established corporations of diversified capabilities and strengths, including AMX, Atlona, Aurora Multimedia, Barco, Biamp, Cisco, Crestron, Extron, Gefen, Goopie, Haivision, Hall Research, Infocus (Jupiter), Key Digital, Kramer, Liberty AV, Magenta Research, Matrox, Mediasite, Ncast, RGB Spectrum, SVSi/Harman, voLANte, Teracue, tvONE, VBrick, Visionary Solutions, WyreStorm and ZeeVee. We believe that our software based patented technology delivers superior audio and video streaming performance and flexibility and provides us with a competitive edge over other industry players.

[Table of Contents](#)**ITEM 1 - BUSINESS****Regulatory Environment**

Regulations regarding product safety, product operational agency compliance, the materials used in manufacturing, the process of disposing of electronic equipment and the efficient use of energy may require extensive lead-time to obtain regulatory approvals of new products in both domestic and international markets. Such regulations may impact our ability to expand our sales in a timely and cost-effective manner and, as a result, our business could be harmed.

**Sources and Availability of Raw Materials**

We manufacture our products through electronics manufacturing services (“EMS”) providers, who are generally responsible for sourcing and procuring required raw materials and components. Most of the components that our EMS providers require for manufacturing our products are readily available from a number of sources. During 2017, we witnessed a significant tightening of the electronics market with demand for electronic products especially for memories and processors far exceeding the supply caused price increases and longer fulfillment cycles. During 2018 the fulfillment cycles improved.

We continually work with our EMS providers to seek alternative sources for all our components and raw material requirements to ensure higher quality and better pricing. Most of our EMS providers and their vendors are duly qualified by our corporate quality assurance process. We work with our EMS providers to ensure that raw materials and components conform to our specifications.

**Manufacturing**

Currently, all of our products are manufactured by EMS providers. Our primary EMS provider is Flextronics.

**Seasonality**

We do not recognize a consistent pattern between the quarters to identify seasonality.

**Research and Product Development**

We are committed to research and product development and view our continued investment in research and product development as a key ingredient to our long-term business success. Our research and product development expenditures were approximately \$7.8 million and \$9.3 million during the years ended December 31, 2018 and 2017, respectively.

Our core competencies in research and product development include (a) many audio technologies, including acoustic echo cancellation, noise cancellation and other advanced adaptive digital signal processing technologies, (b) networking and multimedia streaming technologies, (c) video technologies, and (d) cloud technologies. We also have expertise in wireless technologies, VoIP, software and network system development. We believe that continued investment in our core technological competencies is vital to developing new products and to enhancing existing products.

**Intellectual Property and Other Proprietary Rights**

We believe that our success depends in part on our ability to protect our proprietary rights. We rely on a combination of patent, copyright, trademark, and trade secret laws and confidentiality agreements and processes to protect our proprietary rights.

As of December 31, 2018, we had approximately 90 patents and 13 pending patent applications, including foreign counterpart patents and foreign applications. Our patents and pending patent applications cover a wide range of our products and services including, but not limited to acoustic echo cancellation, beamforming microphone arrays, systems that enable streaming media over IP networks, algorithms for video processing, wireless conferencing systems, spatial audio, and technologies for the Internet of Things. The durations of our patents are determined by the laws of the country of issuance. For the U.S., patents may be 17 years from the date of issuance of the patent or 20 years from the date of its filing, depending upon when the patent application was filed. In addition, we hold numerous U.S. trademarks. The laws of foreign countries may not protect our intellectual property to the same degree as the laws of the United States.

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We will obtain patents and other intellectual property rights used in connection with our business when practicable and appropriate. Our intellectual property policy is to protect our products, technology and processes by asserting our intellectual property rights where appropriate and prudent. From time to time, assertions of infringement of certain patents or other intellectual property rights of others have been made against us. In addition, certain pending claims against a competitor are in various stages of litigation. See [Part I, Item 3. Legal Proceedings](#) and [Note 8 – Commitments and Contingencies](#) of the Notes to Consolidated Financial Statements (Part II, Item 8) for information regarding current legal proceedings involving our intellectual property rights.

We are dependent on our intellectual property. If we are not able to protect our proprietary rights or if those rights are invalidated or circumvented, our business may be adversely affected. We may be subject to litigation and infringement claims, which could cause us to incur significant expenses or prevent us from selling our products or services. For more information concerning the risks related to patents, trademarks, and other intellectual property, please see “Risk Factors-Risks Related to our Business.”

We generally require our employees, certain customers and partners to enter into confidentiality and non-disclosure agreements before we disclose any confidential aspect of our technology, services, or business. In addition, our employees are required to assign to us any proprietary information, inventions, or other technology created during the term of their employment with us. However, these precautions may not be sufficient to protect us from misappropriation or infringement of our intellectual property.

The Company is involved in patent infringement lawsuits against Shure Inc. ("Shure").

On April 24, 2017, Shure initiated litigation against the Company in the matter styled *Shure Inc. v. ClearOne, Inc.*, 1:17-cv-03078, which is pending in the United States District Court for the Northern District of Illinois, Eastern Division, before the Honorable Edmond E. Chang. Shure's initial complaint sought a declaratory judgment for non-infringement and invalidity of the Company's U.S. Patent No. 9,635,186 ("186 Patent") and Patent No. 9,264,553 ("553 Patent"). In early 2018, Shure added a claim that the '186 Patent is unenforceable. The Court dismissed Shure's request for declaratory judgment relating to the '553 Patent, which at the time in 2017, had not been asserted by the Company against any defendant and had been submitted to the USPTO for reissue. The Company has filed counterclaims against Shure for willful infringement of the Company's '186 Patent and the Company's U.S. Patent No. 9,813,806 ("806 Patent").

On April 10, 2019, the Company filed a new lawsuit against Shure in the United States District Court for the Northern District of Illinois, Eastern Division, styled *ClearOne, Inc. v. Shure Inc.*, 1:19-cv-02421. In this lawsuit, the Company asserts claims against Shure for infringement of the Company's '553 Patent and for trade secret misappropriation.

**Employees**

As of December 31, 2018, we had 130 full-time employees. Of these employees, 88 were located in the U.S. and 42 in locations outside the U.S. None of our employees are subject to a collective bargaining agreement and we believe our relationship with our employees is good. We also hire contractors with specific skill sets to meet our operational needs.

**ITEM 1A. RISK FACTORS**

*Investors should carefully consider the risks described below. The risks described below are not the only ones we face and there are risks that we are not presently aware of or that we currently believe are immaterial that may also impair our business operations. Any of these risks could harm our business. The trading price of our common stock could decline significantly due to any of these risks, and investors may lose all or part of their investment. In assessing these risks, investors should also refer to the other information contained or incorporated by reference in this annual report on Form 10-K, including our consolidated financial statements and related notes.*

**Risks Relating to Our Business**

*A material weakness has been identified in our internal control over financial reporting. If we fail to remediate and maintain effective internal control over financial reporting, we may be unable to report our financial results accurately on a timely basis, investors could lose confidence in our reported financial information, the trading price of our common shares could decline and our access to the capital markets or other financing sources could become limited.*

In connection with the audit of our consolidated financial statements as of December 31, 2017, our independent registered public accounting firm identified deficiencies in our system of internal control over financial reporting that it considered to be a material weakness related to the accurate and timely reporting of our financial results and disclosures for the fiscal year ended December 31,

2017 and our testing and assessment of the design and operating effectiveness of internal controls over financial reporting in a timely manner. The Public Company Accounting Oversight Board's Auditing Standard No. 5 defines a material weakness as a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected on a timely basis. See Part II, Item 9A, "Controls and Procedures."

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The management conducted an evaluation of the effectiveness of our internal control over financial reporting for the year ended December 31, 2018 based on the framework set forth in *Internal Control - Integrated Framework* (2013 framework) issued by the Committee of Sponsoring Organizations of the Treadway Commission, concluding that remediation of the material weakness identified during the 2017 audit has not yet been completed.

We have initiated remedial measures, however there can be no assurance that these actions, as well as further actions we may take, will allow us to remediate this material weakness and provide a solid foundation to meet our reporting obligations under the Exchange Act. If we fail to implement and maintain effective internal control over financial reporting (including appropriately and effectively remediating this material weakness), or if additional material weaknesses in our internal control over financial reporting are discovered or occur in the future, our consolidated financial statements may contain material misstatements, and we could be required to restate our financial results. In addition, if we are unable to successfully remediate this material weakness and if we are unable to produce accurate and timely financial statements, our stock price may be materially adversely affected and we may be unable to maintain compliance with applicable stock exchange listing requirements.

*We face intense competition in all markets for our products and services and our operating results will be adversely affected if we cannot compete effectively against other companies.*

The markets for our products and services are characterized by intense competition, pricing pressures and rapid technological change. Our competitive landscape continues to rapidly evolve, in particular with respect to our video-related services and products, as we move into new markets for video collaboration such as mobile, social and cloud-delivered video. We compete with businesses having substantially greater financial, research and product development, manufacturing, marketing, and other resources than we do. If we are not able to continually design, manufacture, and successfully introduce new or enhanced products or services that are comparable or superior to those provided by our competitors and at comparable or better prices, we could experience pricing pressures and reduced sales, gross profit margins, profits, and market share, each of which could have a materially adverse effect on our business.

*Difficulties in estimating customer demand in our products segment could harm our profit margins.*

Orders from our distributors and other distribution participants are based on demand from end-users. Prospective end-user demand is difficult to measure. This means that our revenue during any fiscal quarter could be adversely impacted by low end-user demand, which could in turn negatively affect orders we receive from distributors and dealers. Our expectations for both short and long-term future net revenues are based on our own estimates of future demand. Revenue for any particular time period is difficult to predict with any degree of certainty. We typically ship products within a short time after we receive an order; consequently, unshipped backlog has not historically been a good indicator of future revenue. We believe that the level of backlog is dependent in part on our ability to forecast revenue mix and plan our manufacturing accordingly. A significant portion of our customers' orders are received during the last month of the quarter. We budget the amount of our expenses based on our revenue estimates. If our estimates of sales are not accurate and we experience unforeseen variability in our revenue and operating results, we may be unable to adjust our expense levels accordingly and our gross profit and results of operations will be adversely affected. Higher inventory levels or stock shortages may also result from difficulties in estimating customer demand.

*If we are unable to protect our intellectual property rights or have insufficient proprietary rights, our business would be materially impaired.*

We currently rely primarily on a combination of trade secrets, copyrights, trademarks, patents, patents pending, and nondisclosure agreements to establish and protect our proprietary rights in our products. Our success is dependent in part on obtaining, maintaining and enforcing our intellectual property rights. If we are unable to obtain, maintain and enforce intellectual property legal protection covering our products, then no assurances can be given that others will not independently develop technologies similar to ours, or duplicate or design around aspects of our technology. In addition, we cannot assure that any patent or registered trademark owned by us will not be invalidated, circumvented or challenged, or that the rights granted thereunder will provide competitive advantages to us. Costly litigation may be necessary to enforce our intellectual property rights. We believe our products and other proprietary rights do not infringe upon any proprietary rights of third parties; however, we cannot ensure that third parties will not assert infringement claims in the future. We currently hold only a limited number of patents. To the extent that we have patentable technology that is material to our business and for which we have not filed patent applications, others may be able to use such technology or even gain priority over us by patenting such technology themselves, which could have a material adverse effect on our business. With respect to any patent application we have filed, we cannot ensure that a patent will be awarded.

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*We are currently subject to patent litigation, including claims challenging the validity and enforceability of some of our patents, which could cause us to incur significant expenses or prevent us from protecting our products or services against competing products.*

Our industry is characterized by vigorous protection of intellectual property rights. We have initiated litigation to enforce our intellectual property rights, which has resulted in our adversaries in such litigation challenging the validity, scope, and/or enforceability of our intellectual property. Irrespective of the merits of these claims, any resulting litigation could be costly and time consuming and could divert the attention of management and key personnel from other business issues. The complexity of the technology involved and the uncertainty of intellectual property litigation increase these risks. See [Part I, Item 3. Legal Proceedings](#) and [Note 8 – Commitments and Contingencies](#) of the Notes to Consolidated Financial Statements (Part II, Item 8) for information regarding current legal proceedings involving our intellectual property rights.

*Our sales depend to a certain extent on government funding and regulation.*

In the audio conferencing products market, the revenue generated from sales of our audio conferencing products for distance learning and courtroom facilities depends on government funding. In the event government funding for such initiatives was reduced or became unavailable, our sales could be negatively impacted. Additionally, many of our products are subject to governmental regulations. New regulations could impact sales in a materially adverse manner.

*Environmental laws and regulations subject us to a number of risks and could result in significant costs and impact on revenue.*

Regulations regarding the materials used in manufacturing, the process of disposing of electronic equipment and the efficient use of energy require us to take additional time to obtain regulatory approvals of new products in international markets. Such regulations may impact our ability to expand our sales in a timely and cost-effective manner and, as a result, our business could be harmed.

*Our profitability may be adversely affected by our continuing dependence on our distribution channels.*

We market our products primarily through a network of distributors who in turn sell our products to value-added resellers. All of our agreements with such distributors and other distribution participants are non-exclusive, terminable at will by both parties, and generally short-term. No assurances can be given that any or all such distributors or other distribution participants will continue their relationship with us. Distributors and, to a lesser extent, value-added resellers cannot easily be replaced and any loss of revenues from these and other sources or our inability to reduce expenses to compensate for such loss of revenue could adversely affect our net revenue and profit margins.

Although we rely on our distribution channels to sell our products, our distributors and other distribution participants are not obligated to devote any specified amount of time, resources, or efforts to the marketing of our products, or to sell a specified number of our products. There are no prohibitions on distributors or other resellers offering products that are competitive with our products, and some do offer competitive products. The support of our products by distributors and other distribution participants may depend on the competitive strength of our products and the price incentives we offer for their support. If our distributors and other distribution participants are not committed to our products, our revenue and profit margins may be adversely affected.

Additionally, we offer our distributors price protection on their inventory of our products. If we reduce the list price of our products, we will compensate our distributors for the respective products that remain in their inventory on the date the price adjustment becomes effective, provided that they have been providing inventory reports consistently and the inventory was bought within the six months preceding the price adjustment date. Our net revenue and profit margins could be adversely affected if we reduce product prices significantly or distributors happen to have significant on-hand inventory of the affected product at the time of a price reduction. Further, if we do not have sufficient cash resources to compensate distributors on terms satisfactory to them or us, our price protection obligations may prevent us from reacting quickly to changing market conditions.



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*Product development delays or defects could harm our competitive position and reduce our revenue.*

We have in the past experienced, and may again experience, technical difficulties and delays with the development and introduction of new products. Many of the products we develop contain sophisticated and complicated circuitry, software and components and utilize manufacturing techniques involving new technologies. Potential difficulties in the development process that we may experience include the following: (a) meeting required specifications and regulatory standards; (b) hiring and keeping a sufficient number of skilled developers; (c) meeting market expectations for performance; (d) obtaining prototype products at anticipated cost levels; (e) having the ability to identify problems or product defects in the development cycle; and (f) achieving necessary manufacturing efficiencies.

Once new products reach the market, they may have defects, or may be met by unanticipated new competitive products, which could adversely affect market acceptance of these products and our reputation. If we are not able to manage and minimize such potential difficulties, our business and results of operations could be negatively affected.

*We depend on an outsourced manufacturing strategy, and any disruption in outsourced services could negatively impact our product availability and revenues.*

We outsource the manufacturing of all of our products except digital signage and wireless microphone products to electronics manufacturing services ("EMS") providers located outside the U.S. If any of these EMS providers experience (i) difficulties in obtaining sufficient supplies of components, (ii) component prices significantly exceeding anticipated costs, (iii) an interruption in their operations, or (iv) otherwise suffers capacity constraints, we could experience a delay in production and shipping of these products, which would have a negative impact on our revenue. Should there be any disruption in services due to natural disaster, economic or political difficulties, transportation restrictions, acts of terror, quarantines or other restrictions associated with infectious diseases, or other similar events, or any other reason, such disruption could have a material adverse effect on our business. Operating in the international outsourcing environment exposes us to certain inherent risks, including unexpected changes in regulatory requirements and tariffs, and potentially adverse tax consequences, which could materially affect our results of operations. Currently, we have no second source of manufacturing for a large portion of our products.

Switching from one EMS provider to another is an expensive, difficult and a time-consuming process, with serious risks to our ability to successfully transfer our manufacturing operations. Our operations, and consequently our revenues and profitability, could be materially adversely affected if we are forced to switch from any of our EMS providers to another EMS provider due to any of a number of factors, including financial difficulties faced by the manufacturer, disagreements in pricing negotiations between us and the manufacturer or organizational changes in the manufacturer.

The cost of delivered product from our EMS providers is a direct function of their ability to buy components at a competitive price and to realize efficiencies and economies of scale within their overall business structures. If they are unsuccessful in driving efficient cost models, our delivered costs could rise, affecting our profitability and ability to compete. In addition, if the EMS providers are unable to achieve greater operational efficiencies, delivery schedules for new product development and current product delivery could be negatively impacted.

EMS providers often require long range forecasts to help them plan their operations as well as to allocate their resources. We are tied to these forecasts through contracts as well as to maintain harmony in business relationships. Our ability to react to actual demand from our customers and order optimum levels of inventory is severely limited due to these forecasts provided to the EMS providers. Our inability to accurately forecast our future demands could lead to either excess inventory causing potential inventory obsolescence and cashflow problems or shortage in inventory causing potential loss of revenue.

Additionally, the sourcing and availability of raw materials necessary for our EMS providers to manufacture certain of our products, including "conflict minerals" has been and could continue to be significantly constrained, which is likely to result in continued elevated price levels. Furthermore, compliance with SEC disclosure and reporting requirements in the future regarding the use of "conflict minerals" mined from the Democratic Republic of Congo and adjoining countries could adversely affect the sourcing, supply and pricing of materials used in our products. As a result, we may not be able to obtain the materials necessary to manufacture our products, which could force us to cease production or search for alternative supply sources, possibly at a higher cost. Such disruptions may have a material adverse effect on our business, financial condition, results of operations and cash flows.



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*Global economic conditions have adversely affected our business in the past and could adversely affect our revenues and harm our business in the future.*

Adverse economic conditions worldwide have contributed to slowdowns in the communications industry and have caused a negative impact on the specific segments and markets in which we operate. Adverse changes in general global economic conditions can result in reductions in capital expenditures by end-user customers for our products, longer sales cycles, the deferral or delay of purchase commitments for our products and increased competition. These factors have adversely impacted our operating results in prior periods and could also impact us again in the future. Global economic concerns, such as the varying pace of global economic recovery, European and domestic debt and budget issues, the slowdown in economic growth in large emerging markets such as China and India, and international currency fluctuations, may continue to create uncertainty and unpredictability in the global and national economy. A global economic downturn would negatively impact technology spending for our products and services and could materially adversely affect our business, operating results and financial condition. Further, global economic conditions may result in a tightening in the credit markets, low liquidity levels in many financial markets, decrease in customer demand and ability to pay obligations, and extreme volatility in credit, equity, foreign currency and fixed income markets.

Such adverse economic conditions could negatively impact our business, particularly our revenue potential, potentially causing losses on investments and the collectability of our accounts receivable. These factors potentially include: the inability of our customers to obtain credit to finance purchases of our products and services, customer or partner insolvencies or bankruptcies, decreased customer confidence to make purchasing decisions resulting in delays in their purchasing decisions, decreased customer demand or demand for lower-end products, or decreased customer ability to pay their obligations when they become due to us.

*We are a smaller company than some of our competitors and may be more susceptible to market fluctuations, other adverse events, increased costs and less favorable purchasing terms.*

Since we are a relatively small Company, there is a risk that we may be more susceptible to market fluctuations and other adverse events. In particular, we may be more susceptible to reductions in government and corporate spending from our government and enterprise customers. We may also experience increased costs and less favorable terms from our suppliers than some of our larger competitors who may have greater leverage in their purchasing spend. Any of these outcomes could result in loss of sales or our products being more costly to manufacture and thus less competitive. Any such unfavorable market fluctuations, reductions in customer spending or increased manufacturing costs could have a negative impact on our business and results of operations.

*Difficulties in integrating past or future acquisitions could adversely affect our business.*

Any acquisition involves numerous risks and challenges, including difficulties and time involved in integrating the operations, technologies and products of the acquired companies, entering new business or product lines, the diversion of our management's attention from other business concerns, geographic dispersion of operations, generating market demand for expanded product lines and the potential loss of key customers or employees of an acquired Company. Failure to achieve the anticipated benefits of these and any future acquisitions or to successfully integrate the operations of these or any other companies or assets we acquire, could also harm our business, results of operations and cash flows. Additionally, we cannot assure you that we will not incur material charges in future periods to reflect additional costs associated with these acquisitions or any future acquisitions we may make.

*Profitability could be negatively impacted if we do not adequately forecast the demand for our products and are unable to monetize our long-term inventories.*

We hold approximately \$9.0 million in long-term inventories. There can be no assurance that we will be able to successfully anticipate changing consumer preferences and product trends or economic conditions and, as a result, we may not successfully monetize our long-term inventory. Inventory levels in excess of consumer demand may result in inventory write-downs and the sale of excess inventory at discounted prices, which could have an adverse effect on the image and reputation of our brands and negatively impact profitability.

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*Conditions in China, India, Spain and United Arab Emirates may affect our operations.*

We have different teams working outside the U.S. in China, India, Spain and United Arab Emirates offering various services including research and development, sales and marketing, and manufacturing operations support. Our ability to operate the company smoothly may be affected significantly if either one or more of these countries are adversely impacted by political, economic, security and military conditions in these countries.

*Product obsolescence could harm demand for our products and could adversely affect our revenue and our results of operations.*

Our industry is subject to technological innovations that could render existing technologies in our products obsolete and thereby decrease market demand for such products. If any of our products becomes slow-moving or obsolete and the recorded value of our inventory is greater than its market value, we will be required to write down the value of our inventory to its fair market value, which would adversely affect our results of operations. In limited circumstances, we are required to purchase components that our outsourced manufacturers use to produce and assemble our products. Should technological innovations render these components obsolete, we will be required to write down the value of this inventory, which could adversely affect our results of operations.

*International sales account for a significant portion of our net revenue and risks inherent in international sales could harm our business.*

International sales represent a significant portion of our total product revenue. We anticipate that the portion of our total product revenue from international sales will continue to increase as we further enhance our focus on developing new products for new markets, establishing new distribution partners, strengthening our presence in emerging economies, and improving product localization with country-specific product documentation and marketing materials. Our international business is subject to the financial and operating risks of conducting business internationally, including the following:

- unexpected changes in, or the imposition of, additional legislative or regulatory requirements;
- unique or more onerous environmental regulations;
- fluctuating exchange rates;
- tariffs and other barriers;
- difficulties in staffing and managing foreign sales operations;
- import and export restrictions;
- greater difficulties in accounts receivable collection and longer payment cycles;
- potentially adverse tax consequences;
- potential hostilities and changes in diplomatic and trade relationships; and
- disruption in services due to natural disaster, economic or political difficulties, transportation, quarantines or other restrictions associated with infectious diseases.

*We may not be able to hire and retain qualified key and highly-skilled technical employees, which could affect our ability to compete effectively and may cause our revenue and profitability to decline.*

We depend on our ability to hire and retain qualified key and highly skilled employees to manage, research and develop, market, and service new and existing products. Competition for such key and highly-skilled employees is intense, and we may not be successful in attracting or retaining such personnel. To succeed, we must hire and retain employees who are highly skilled in the rapidly changing communications and Internet technologies. Individuals who have the skills and can perform the services we need to provide our products and services are in great demand. Because the competition for qualified employees in our industry is intense, hiring and retaining employees with the skills we need is both time-consuming and expensive. We may not be able to hire enough skilled employees or retain the employees we do hire. In addition, provisions of the Sarbanes-Oxley Act of 2002 and related rules of the SEC impose heightened personal liability on some of our key employees. The threat of such liability could make it more difficult to identify, hire and retain qualified key and highly-skilled employees. We have relied on our ability to grant stock options as a means of recruiting and retaining key employees. Accounting regulations requiring the expensing of stock options will impair our future ability to provide these incentives without incurring associated compensation costs. If we are unable to hire and retain employees with the skills we seek, our ability to sell our existing products, systems, or services or to develop new products, systems, or services could be hindered with a consequent adverse effect on our business, results of operations, financial position, or liquidity. In addition, given the current political climate regarding the U.S. immigration laws, we may not be able attract highly-skilled technical employees from abroad.

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*We rely on third-party technology and license agreements, the loss of any of which could negatively impact our business.*

We have licensing agreements with various suppliers for software and hardware incorporated into our products. These third-party licenses may not continue to be available to us on commercially reasonable terms, if at all. The termination or impairment of these licenses could result in delays of current product shipments or delays or reductions in new product introductions until equivalent designs can be developed, licensed, and integrated, if at all possible, which would have a material adverse effect on our business.

*We may have difficulty in collecting outstanding receivables.*

We grant credit to substantially all of our customers without requiring collateral. In times of economic uncertainty, the risks relating to the granting of such credit will typically increase. Although we monitor and mitigate the risks associated with our credit policies, we cannot ensure that such mitigation will be effective. We have experienced losses due to customers failing to meet their obligations. Future losses could be significant and, if incurred, could harm our business and have a material adverse effect on our operating results and financial position.

*Interruptions to our business could adversely affect our operations.*

As with any Company, our operations are at risk of being interrupted by earthquake, fire, flood, and other natural and human-caused disasters, including disease and terrorist attacks. Our operations are also at risk of power loss, telecommunications failure, human error, physical or electronic security breaches and computer viruses (which could leave us vulnerable to the loss of confidential proprietary information as well as disruption of our business activities) and other infrastructure and technology-based problems. To help guard against such risks, we carry business interruption loss insurance to help compensate us for losses that may occur, but we cannot assure that such coverage would protect us from all such possible losses.

*Changes in tax laws and uncertainties in the interpretation and application of the 2017 Tax Cuts and Job Act could materially affect our financial position, results of operations and cash flows.*

On December 22, 2017, Pub. L. No. 115-97 (informally known as the Tax Cuts and Jobs Act) (the "Tax Act") was enacted into law. The Tax Act makes significant changes to the Internal Revenue Code of 1986, as amended (the "Code"). In particular, the Tax Act reduces the maximum corporate tax rate from 35% to 21%. The full ramifications of the Tax Act remain unclear and will likely remain unclear until further Treasury guidance is issued. Key provisions of the Tax Act that could impact us and the market price of our shares include:

- temporarily reducing individual U.S. federal income tax rates on ordinary income; the highest individual U.S. federal income tax rate was reduced from 39.6% to 37% (through tax years beginning before January 1, 2026);
- eliminating miscellaneous itemized deductions and limiting state and local tax deductions;
- a requirement for companies to pay a one-time transition tax on the earnings of certain foreign subsidiaries that were previously tax deferred;
- the creation of new taxes (global intangible low-taxed income, or GILTI) on certain foreign-source earnings;
- reducing the maximum corporate income tax rate from 35% to 21%;
- limiting the deduction for net operating losses incurred after December 31, 2017 to 80% of taxable income (prior to the application of the dividends paid deduction), where taxable income is determined without regard to the net operating loss deduction itself, and generally eliminating net operating loss carrybacks and allowing unused net operating losses to be carried forward indefinitely;
- creating a new limitation on the deduction of net interest expense for all businesses other than certain real estate businesses that make an election to not be subject to such limitation;
- expanding the ability of businesses to deduct the cost of certain purchases of property in the year in which such property is purchased; and
- eliminating the corporate alternative minimum tax.

In addition to the foregoing, the Tax Act may impact our distributors, resellers, customers, and the overall economy, which may have an effect on us. It is not possible to state with certainty at this time the effect of the Tax Reform Act on us and on an investment in our shares.

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*Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.*

In the ordinary course of our business, we collect and store sensitive data, including intellectual property, our proprietary business information and that of our employees, customers, licensors, vendors and business partners, including personally identifiable information of our customers and employees, in our data centers and on our networks. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Security breaches have occurred with increased frequency and sophistication in recent years. Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, disrupt our operations, and damage our reputation, which could adversely affect our business.

***Risks Relating to Share Ownership***

*Our stock price fluctuates as a result of the conduct of our business and stock market fluctuations.*

The market price of our common stock has experienced significant fluctuations and may continue to fluctuate significantly. The market price of our common stock may be significantly affected by a variety of factors, including the following:

- statements or changes in opinions, ratings, or earnings estimates made by brokerage firms or industry analysts relating to the market in which we do business or relating to us specifically;
- disparity between our reported results and the projections of analysts;
- the shift in sales mix of products that we currently sell to a sales mix of lower-gross profit product offerings;
- the level and mix of inventory held by our distributors;
- the announcement of new products or product enhancements by us or our competitors;
- technological innovations by us or our competitors;
- success in meeting targeted availability dates for new or redesigned products;
- the ability to profitably and efficiently manage our supply of products and key components;
- the ability to maintain profitable relationships with our customers;
- the ability to maintain an appropriate cost structure;
- quarterly variations in our results of operations;
- general consumer confidence or market conditions, or market conditions specific to technology industry;
- domestic and international economic conditions;
- unexpected changes in regulatory requirements and tariffs;
- our ability to report financial information in a timely manner;
- the markets in which our stock is traded;
- our ability to integrate the companies we have acquired; and
- our ability to successfully utilize our cash reserves resulting from the settlement of litigation and arbitration matters.

[Table of Contents](#)**ITEM 1A - RISK FACTORS**

*Our stock price may in the future not meet the minimum bid price for continued listing on the Nasdaq Capital Market. Our ability to publicly or privately sell equity securities and the liquidity of our common stock could be adversely affected if we are delisted from The Nasdaq Capital Market.*

Nasdaq Listing Rule 5450(a)(1) provides that the closing bid price for our common stock may not be below \$1.00 per share for any period of 30 consecutive trading days to maintain our continued listing on The Nasdaq Capital Market ("Minimum Bid Price Rule"). Although we are currently in compliance with the Minimum Bid Price Rule, there can be no assurance that our common stock will continue to satisfy this rule. If we were to fail to comply with the Minimum Bid Price Rule in the future and became subject to delisting, such delisting from Nasdaq would adversely affect our ability to raise additional financing through the public or private sale of equity securities, would significantly affect the ability of investors to trade our securities and would negatively affect the value and liquidity of our common stock. Delisting also could have other negative results, including the potential loss of confidence by employees, the loss of institutional investor interest and fewer business development opportunities.

*Rights to acquire our common stock could result in dilution to other holders of our common stock.*

As of December 31, 2018, there were outstanding options to acquire approximately 624,256 shares of our common stock at a weighted average exercise price of \$8.87 per share. During the terms of these options, the holders thereof will have the opportunity to profit from an increase in the market price of the common stock. The existence of these options may adversely affect the terms on which we can obtain additional financing, and the holders of these options can be expected to exercise such options at a time when we, in all likelihood, would be able to obtain additional capital by offering shares of our common stock on terms more favorable to us than those provided by the exercise of these options.

*The sale of additional shares of our common stock could have a negative effect on the market price of our common stock.*

The sale of substantial amounts of our common stock in the public market, such as the Rights Offering, could adversely affect prevailing market prices and could impair our ability to raise capital through the sale of our equity securities. Most shares of common stock currently outstanding are eligible for sale in the public market, subject in certain cases to compliance with the requirements of Rule 144 under the securities laws. Shares issued upon the exercise of stock options granted under our stock option plan generally will be eligible for sale in the public market. We also have the authority to issue additional shares of common stock and shares of one or more series of preferred stock. The issuance of such shares could dilute the voting power of the currently outstanding shares of our common stock and could dilute earnings per share.

*If equity research analysts do not publish research or reports about our business or if they issue unfavorable commentary or downgrade our common stock, the price of our common stock could decline.*

The liquidity of the trading market for our common stock may be affected in part by the research and reports that equity research analysts publish about us and our business. We do not control the opinions of these analysts. The price of our stock could decline if one or more equity analysts downgrade our stock or if those analysts issue other unfavorable commentary or cease publishing reports about us or our business.

*Write off of capitalized legal expenses related to our defense of patents could negatively impact our net income and stockholders' equity.*

Our intangible assets include capitalized legal expenses net of amortization of \$6.6 million related to our defense of patents from infringement by our competitors. Legal expenses have been capitalized upon satisfaction of two conditions: (a) a determination being made that a successful defense of this litigation is probable, and (b) that the monetary benefits arising out of such successful defense will be in excess of the costs for the defense. If either one of these conditions fail to be satisfied in the future, the carrying amount in the books may have to be written off either completely or partially. There can be no assurance that we will be successful in the defense of these litigation claims, in whole or in part.

[Table of Contents](#)**ITEM 1B. UNRESOLVED STAFF COMMENTS**

Not applicable.

**ITEM 2. PROPERTIES**

We occupy a 5,000 square-foot facility in Gainesville, Florida under the terms of an operating lease that expires in February 2021 with the possibility of renewing the lease for 10 more years. The Gainesville facility was used primarily to support our research and development activities.

We currently occupy a 21,443 square-foot facility in Salt Lake City, Utah under the terms of an operating lease expiring in March 2024, with an option to extend for additional five years. The facility supports our principal administrative, sales, marketing, customer support, and research and product development activities.

We occupy a 10,700 square-foot warehouse in Shenzhen, China under the terms of an operating lease expiring in September 2019, which serves as manufacturing support center for Asia.

We occupy a 7,070 square-foot facility in Austin, Texas - under the terms of an operating lease expiring in October 2019. This facility supports our sales, marketing, customer support, and research and development activities.

We occupy a 40,000 square-foot warehouse in Salt Lake City, Utah under the terms of an operating lease expiring in April 2025, which serves as our primary inventory fulfillment and repair center.

We occupy a 3,068 square-foot facility in Zaragoza, Spain - under the terms of an operating lease expiring in March 2020. This facility supports our customer support, and research and development activities.

We occupy a 6,175 square-foot facility in Chennai, India - under the terms of an operating lease expiring in August 2021. This facility supports our administrative, marketing, customer support, and research and product development activities.

We believe our current facilities are adequate to meet our needs for the foreseeable future and that suitable additional or alternative space will be available in the future on commercially reasonable terms as needed.

**ITEM 3. LEGAL PROCEEDINGS**

See [Note 8 – Commitments and Contingencies](#) of the Notes to Consolidated Financial Statements (Part II, Item 8) for information regarding legal proceedings in which we are involved, which is incorporated in this Item 3 by reference.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not Applicable.



[Table of Contents](#)**PART II****ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES****Market Information**

Our common stock is traded on the NASDAQ Capital Market under the symbol CLRO. On April 12, 2019, there were 16,630,597 shares of our common stock issued and outstanding held by approximately 300 shareholders of record. Each broker dealer or a clearing corporation that holds shares for customers is counted as a single shareholder of record.

**Dividends**

The Company paid a cash dividend of \$0.07 per share of ClearOne common stock in the first quarter of 2018. As part of the focus on preserving cash in connection with our litigation to defend our strategic patents from infringement, on June 13, 2018, the Company announced the suspension of its dividend program until such time as the Company deems it appropriate to once again declare dividends.

**Issuer Purchases of Equity Securities**

On March 1, 2017, the Board of Directors of the Company renewed and extended the repurchase program until March 8, 2018 for up to an additional \$10 million of common stock over the next twelve months. In connection with the repurchase extension authorization, the Company was authorized to complete the repurchases through open market transactions or through an accelerated share repurchase program, in each case to be executed at management's discretion based on business and market conditions, stock price, trading restrictions, acquisition activity and other factors. All the transactions effectuated under this program occurred in open market purchases. This program terminated in March 2018.

From March 11, 2016 to March 17, 2017, the Company offered to repurchase eligible vested options to purchase shares under the 1998 Plan and the 2007 Plan from employees and directors. The Company repurchased delivered options at a repurchase price equal to the difference between the closing market price on the date of the employee's communication of accepting the repurchase offer and the exercise price of such employee's delivered options, subject to applicable withholding taxes and charges. The Company repurchased 225,542 stock options from employees and directors between March 11, 2016 and March 17, 2017 at an average purchase price of \$7.77. The repurchase program expired on March 8, 2018 and the Board of Directors determined not to renew or extend it at that time.

Before the program was terminated in March 2018, the Company acquired 17,549 shares at an average price of \$8.39 per share during 2018.

**Sales of Unregistered Securities**

None.



[Table of Contents](#)**ITEM 6. SELECTED CONSOLIDATED FINANCIAL DATA**

Not applicable.

**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion should be read in conjunction with our consolidated financial statements and related notes included in this report, as well as our other filings with the SEC. This discussion contains forward-looking statements based on current expectations that involve risks and uncertainties, such as our plans, objectives, expectations, and intentions, as set forth under "Disclosure Regarding Forward-Looking Statements." Our actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the following discussion and under the caption "Risk Factors" in Item 1A and elsewhere in this report.

**OVERVIEW**

ClearOne is a global Company that designs, develops and sells conferencing, collaboration, and network streaming solutions for voice and visual communications. The performance and simplicity of our advanced, comprehensive solutions offer a high level of functionality, reliability and scalability.

We derive a major portion of our revenue from audio conferencing products and microphones by promoting our products in the professional audio-visual channel. We have extended our total addressable market from the installed audio conferencing market to adjacent complementary markets – microphones, video collaboration and AV networking. We have achieved this through strategic technological acquisitions as well as by internal product development.

During 2018, seven more patents related to video synchronization, speech technology, integrated microphone array and ceiling or wall tile, echo cancellation with beamforming microphone array, audio distribution over local area networks, and USB to Bluetooth audio bridging were issued to us. Additionally, during 2018 we continued our serious litigation efforts to stop infringement of two of our strategic patents. We introduced a new ceiling microphone array product line and made improvements to our VIEW Pro and Converge Pro 2 product lines. We also started shipping CONVERGE Huddle, an affordable DSP mixer during the year. We also launched many new products including COLLABORATE Space, CONVERGE Amplifier and wireless microphone systems in 537-563 MHz range at our industry's largest trade show in North America. We have also been focusing on company-wide cost cutting programs and speeding up product development that we believe will enable us to surpass our competitors. On the sales and marketing front, our initiatives included revamping our manufacturer representatives in the U.S., bringing more system integrators and valued added resellers to partner with us directly, creating a robust program to focus on and support our strategic partners in the U.S. and bringing on new channel partners to boost sales opportunity funnels.

Additionally, we fortified our cash position through an oversubscribed subscription rights offering (the "Rights Offering") which closed on December 4, 2018 and which raised \$9.9 million (net of stock issuance costs). In the Rights Offering, we issued one subscription right to each of our shareholders for each share of our common stock that they held. Each subscription right entitled the shareholder to purchase one share of our common stock at a purchase price of \$1.20 per share. At the closing, we sold 8,306,535 shares of our common stock and returned subscriptions for 754,868 shares that were oversubscribed after allocating oversubscribed shares on a pro-rata basis.

Overall revenue declined in 2018 across all product groups. The on-going infringement of ClearOne's patents is the major cause of our revenue decline in the audio conferencing and microphones categories. We are inappropriately being forced to compete against our own patented technology. We believe the revenue decline in video products was caused partially by increased competition in the space as well as due to reduced attention from our partners caused by the alternatives made available through infringement of our patents.

Our gross profit margin decreased in 2018 to 47% compared to 57% in 2017. Gross profit margin decreased primarily due to a decline in licensing revenues and reduced overhead absorption into inventory as we continue to reduce our net spend on inventory. Net loss increased from \$14.2 million in 2017 to \$16.7 million in 2018. Net loss in 2018 was primarily due to operating losses of about \$10.3 million and \$6.4 million in tax expense caused by recording a full valuation allowance on our net deferred tax assets.

*Industry conditions*

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[Table of Contents](#)**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS***Economic conditions, challenges and risks*

The audio-visual products market is characterized by intense competition and rapidly evolving technology. Our competitors vary within each product category. Our installed professional audio conferencing products, which is our flagship product category, continue to be ahead of the competition despite the reduction in revenues. Our strength in this space is largely due to our fully integrated suite of products consisting of DSP mixers, wide range of professional microphone products and video collaboration products. Despite our strong leadership position in the installed professional audio conferencing market, we face challenges to revenue growth due to the limited size of the market and pricing pressures from new competitors attracted to the commercial market due to higher margins.

Despite the decline in revenue, our video products are critical to our long term growth. We face intense competition in this market from well-established market leaders as well as emerging players rich with marketing funds. We expect our strategy of combining Spontania, our cloud-based video conferencing product, Collaborate, our appliance-based media collaboration product, our high quality professional cameras, and our high-end audio conferencing technology will generate high growth in the near future. We believe we are also well positioned to capitalize on the continuing migration away from the traditional hardware-based video conferencing systems to software-based video conferencing applications.

We derive a major portion of our revenue (approximately 47% for the year ended December 31, 2018) from international operations and expect this trend to continue in the future. Most of our revenue from outside the U.S. is billed in U.S. dollars and is not exposed to any significant currency risk. However, we are exposed to foreign exchange risk if the U.S. dollar is strong against other currencies as it will make U.S. Dollar denominated prices of our products less competitive.

*Deferred Revenue*

Deferred revenue decreased by \$4.3 million to \$0.3 million in 2018, primarily due to the effect of the new revenue recognition standard that became effective January 1, 2018.

**DISCUSSION OF RESULTS OF OPERATIONS**

The following table sets forth certain items from our consolidated statements of operations and comprehensive loss for the years ended December 31, 2018 and 2017, together with the percentage change each item represents. Throughout this discussion, we compare results of operations for the year ended December 31, 2018 ("2018") to the year ended December 31, 2017 ("2017" or "the comparable period").

<b>(In thousands, except percentages)</b>	<b>2018</b>	<b>2017</b>	<b>Percentage Change 2018 vs 2017</b>
Revenue	\$ 28,156	\$ 41,804	-33%
Cost of goods sold	14,785	17,795	-17%
Gross profit	13,371	24,009	-44%
Sales and marketing	9,908	10,996	-10%
Research and product development	7,840	9,342	-16%
General and administrative	5,950	7,161	-17%
Impairment of intangible assets	—	769	100%
Impairment of goodwill	—	12,724	100%
Legal settlement paid/(received)	—	(790)	100%
Operating expenses	23,698	40,202	-41%
Operating loss	(10,327)	(16,193)	36%
Loss before income taxes	(10,247)	(15,893)	36%
Provision for/(benefit from) income taxes	6,440	(1,721)	-474%
Net loss	(16,687)	(14,172)	-18%

[Table of Contents](#)**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS****Revenue**

Our revenue decreased to \$28.2 million in 2018 compared to \$41.8 million in 2017. The highest decline was seen in audio conferencing category with 34% decline followed by microphones with 33% decline and video products with 29% decline. The decline in audio conferencing category was due to decline in licensing revenue, CONVERGE Pro product line and INTERACT Pro. An increase in revenues from CONVERGE Pro 2 was not sufficient enough to offset the decline in the CONVERGE Pro product line. The decline in microphones category was due to decline in all microphones especially beamforming microphones and wireless microphones. During 2017, a big project contributed significant revenues from video products. Absence of such a project in 2018 made decline in revenue from video products sharper. The on-going infringement of ClearOne's patents is the major cause of our revenue decline in audio conferencing and microphones categories. We believe the revenue decline in video products was caused partially by increased competition in the space as well as due to reduced attention from our partners caused by the alternatives made available through infringement of our patents.

The share of audio conferencing products in our product mix declined marginally from 50.4% to 49.5%. The share of microphones remained almost the same from 32.1% in 2017 to 32.0% in 2018. Share of video products in the revenue mix increased marginally from 17.5% in 2017 to 18.5% in 2018.

During 2018, revenue declined across all major markets. The decline was more pronounced in the USA, China, Japan, Southern Europe and Australia. Asia Pacific including Middle East decreased by 29%, Europe and Africa declined by 16% and Americas declined by about 37%.

We believe, although there can be no assurance, that we will return to growth path when our strategic initiatives namely product innovation, cost reduction and defense of our intellectual property succeed.

**Cost of Goods Sold and Gross Profit**

Cost of goods sold ("COGS") includes expenses associated with finished goods purchased from outsourced manufacturers, the manufacture of our products (including material and direct labor), our manufacturing and operations organization, property and equipment depreciation, warranty expense, freight expense, royalty payments, and the allocation of overhead expenses.

Our gross profit during 2018 was approximately \$13.4 million or 47% compared to approximately \$24.0 million or 57% in 2017. Gross profit margin decreased primarily due to a decline in licensing revenues and reduced overhead absorption into inventory as we continue to reduce our net spend on inventory.

Our profitability in the near-term continues to depend significantly on our revenues from audio conferencing products. We hold long-term inventory and if we are unable to sell our long-term inventory, our profitability might be affected by inventory write-offs and price mark-downs. Our long-term inventory includes approximately \$2.7 million of wireless microphones related finished goods and assemblies, \$2.7 million of CONVERGE Pro and CONVERGE Pro 2 products and about \$1.0 million of raw materials that will be used for manufacturing installed professional audio conferencing products.

**Operating Expenses and Profits (Losses)**

Operating income/(loss), or income/(loss from operations, is the surplus or deficit after operating expenses are deducted from gross profits. Operating expenses include sales and marketing ("S&M") expenses, research and product development ("R&D") expenses and general and administrative ("G&A") expenses. Total operating expenses were \$23.7 million in 2018, compared to \$40.2 million in 2017, which included \$13.5 million in impairment of goodwill and intangible assets. The following contains a more detailed discussion of expenses related to sales and marketing, research and product development, general and administrative, and other items.

**Sales and Marketing** S&M expenses include sales, customer service, and marketing expenses such as employee-related costs, allocations of overhead expenses, trade shows, and other advertising and selling expenses.

S&M expenses in 2018 decreased by 10% from \$11.0 million in 2017 to \$9.9 million in 2018. The decrease was mainly due to decreases in commissions to independent reps, payments to consultants, inventory costs for demonstration equipment, employee related costs and tradeshow exhibition costs.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

**Research and Product Development** R&D expenses include research and development, product line management, engineering services, and test and application expenses, including employee-related costs, outside services, expensed materials, depreciation, and an allocation of overhead expenses.

R&D expenses decreased during 2018 to \$7.8 million from \$9.3 million in 2017. The decrease was primarily due to decreases in R&D project costs and employee-related costs.

**General and Administrative** G&A expenses include employee-related costs, professional service fees, allocations of overhead expenses, litigation costs, and corporate administrative costs, including costs related to finance and human resources.

G&A expenses were approximately \$6.0 million in 2018 compared with approximately \$7.2 million in 2017. The decrease was primarily due to decreases in legal expenses, employee related costs and stock based compensation partially offset by an increase in amortization expenses.

### Impairment of Goodwill and Intangibles

We recognized impairment of goodwill of \$12.7 million and intangibles of \$0.8 million during the twelve months ended December 31, 2017. There were no such impairment charges during the years ended December 31, 2018. The analysis for impairment was mainly triggered due to the decrease of our market capitalization. We recorded impairment charges upon the determination that the carrying value of certain intangibles and goodwill is in excess of the implied fair value of such assets.

### Provision for income taxes

The effective tax benefit rate was 62.9% (benefit) in 2018 as compared to effective tax rate of 10.7% during 2017. The decrease in the effective tax rate was primarily due to the recording of a full valuation allowance on the Company's net deferred tax assets.

Income tax expense for 2018 was \$6.4 million as compared to \$1.7 million of benefit from income taxes in 2017. The current year loss did not result in income tax benefit due to recording a valuation allowance of \$6.5 million in 2018-Q3 on the related net deferred tax assets. The valuation allowance was recorded as we concluded that it was more likely than not that our deferred tax assets were not realizable primarily due to the Company's recent pre-tax losses.

## LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION

As of December 31, 2018, our cash and cash equivalents were approximately \$11.2 million compared to \$5.6 million as of December 31, 2017. Our working capital was \$28.4 million and \$23.3 million as of December 31, 2018 and 2017, respectively.

Net cash flows used in operating activities were approximately \$6.6 million during 2018, a decrease of approximately \$2.7 million from \$9.3 million used in operating activities in 2017. The decrease was primarily due to reduction of changes in inventories by \$10.9 million partially offset by a decrease in non-cash charges of \$5.1 million and an increase in net loss by \$2.5 million.

Net cash flows provided by investing activities were \$3.2 million during 2018 compared to net cash flows provided by investing activities of \$10.2 million during 2017, a decrease of \$7.0 million during 2018. The decrease was primarily due to a decrease in net sales of marketable securities of \$5.1 million partially offset by an increase in capitalized patent defense costs by \$2.4 million.

*Capitalization of patent defense costs.* We capitalize external legal costs incurred in the defense of our patents when we believe that a significant, discernible increase in value will result from the defense and a successful outcome of the legal action is probable. When we capitalize patent defense costs we amortize the costs over the remaining estimated useful life of the patent, which is 15 to 17 years. During 2018 we spent \$4.7 million of legal costs related to the defense of our patents and capitalized the entire amount.

Net cash provided by financing activities increased in 2018 by \$16.7 million primarily due to raising of additional capital through a rights offering of \$9.9 million, reduction of payments for stock and options repurchases by \$5.3 million and reduction in dividend payments by \$1.7 million.

[Table of Contents](#)**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

We are currently pursuing all available legal remedies to defend our strategic patents from infringement. We have already incurred approximately \$8.5 million in costs from 2016 through December 31, 2018 towards this litigation and may be required to incur more to continue to enforce our patents. We have been actively engaged in preserving cash by suspending our dividend program, allowing the share repurchase program to expire and implementing company-wide cost reduction measures. In addition, we raised additional proceeds of \$9.9 million (net of issuance costs) from the Rights Offering, which we closed in December 2018. We also believe additional cash will be generated as we consume our inventory and bring it down to historical levels. We also believe that the measures taken by us to defend our patents and enforce our intellectual property rights will yield higher revenues in the future. We believe all of these and effective management of working capital will provide the liquidity needed to meet our short-term and long-term operating requirements and finance our growth plans. We also believe that our strong portfolio of intellectual property and our solid brand equity in the market will enable us to raise additional capital if and when needed to meet our short and long-term financing needs. In addition to capital expenditures, we may use cash in the near future for selective infusions of technology, sales and marketing, infrastructure, and other investments to fuel our growth.

At December 31, 2018, we had open purchase orders related to our electronics manufacturing service providers of approximately \$1.2 million, primarily related to inventory purchases.

At December 31, 2018, we had inventory totaling \$22.2 million, of which non-current inventory accounted for \$9.0 million. This compares to total inventories of \$23.1 million and non-current inventory of \$8.7 million as of December 31, 2017.

**Off-Balance Sheet Arrangements**

We have no off-balance-sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial conditions, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources, results of operations or liquidity.

**CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

Our discussion and analysis of our results of operations and financial position are based upon our consolidated financial statements, which have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP"). We review the accounting policies used in reporting our financial results on a regular basis. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. We evaluate our assumptions and estimates on an ongoing basis and may employ outside experts to assist in our evaluations. We believe that the estimates we use are reasonable; however, actual results could differ from those estimates. Our significant accounting policies are described in Note 1 - Business Description, Basis of Presentation and Significant Accounting Policies to the Consolidated Financial Statements included in Part IV of this report. We believe the following critical accounting policies identify our most critical accounting policies, which are the policies that are both important to the representation of our financial condition and results and require our most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

**Revenue and Associated Allowances for Revenue Adjustments and Doubtful Accounts**

The Company recognizes revenue when it satisfies a performance obligation. The Company recognizes revenue from sales agreements upon transferring control of a product to the customer. This typically occurs when products are shipped or delivered, depending on the delivery terms, or when products that are consigned at customer locations are sold to dealers or end users. Revenue recognized during the twelve months ended December 31, 2018 for equipment sales was \$27,369, and for software, licenses, etc. was \$787. Sales returns and allowances are estimated based on historical experience. Provisions for discounts and rebates to customers, estimated returns and allowances, ship and credit claims and other adjustments are provided for in the same period the related revenues are recognized, and are netted against revenues. For returns, the Company recognizes a related asset for the right to recover returned products with a corresponding reduction to cost of goods sold. The Company reviews warranty and related claims activity and records provisions, as necessary.



[Table of Contents](#)**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Frequently, the Company receives orders with multiple delivery dates that may extend across reporting periods. Since each delivery constitutes a performance obligation, the Company allocates the transaction price of the contract to each performance obligation based on the stand-alone selling price of the products. The Company invoices the customer for each delivery upon shipment and recognizes revenues in accordance with delivery terms. Although payment terms vary, distributors typically pay within 45 days of invoicing and dealers pay within 30 days of invoicing. As scheduled delivery dates are within one year, revenue allocated to future shipments of partially completed contracts are not disclosed.

The Company has elected to record freight and handling costs associated with outbound freight after control over a product has transferred to a customer as a fulfillment cost and include it in cost of revenues. Taxes assessed by government authorities on revenue-producing transactions, including value-added and excise taxes, are presented on a net basis (excluded from revenues) in the Consolidated Statements of Operations and Comprehensive Income.

The details of deferred revenue and associated cost of goods sold and gross profit are as follows:

	<b>As of December 31,</b>	
	<b>2018</b>	<b>2017</b>
Deferred revenue	\$ 283	\$ 4,635
Deferred cost of goods sold	-	1,555
Deferred gross profit	<u>\$ 283</u>	<u>\$ 3,080</u>

The Company offers rebates and market development funds to certain of its distributors, dealers/resellers, and end-users based upon the volume of product purchased by them. The Company records rebates as a reduction of revenue in accordance with GAAP.

The Company provides, at its discretion, advance replacement units to end-users on defective units of certain products under warranty. Since the purpose of these units is not revenue generating, the Company tracks the units due from the end-user, until the defective unit has been returned. Any amount due from the customer upon failure to return the products is accounted as receivable only after establishing customer's failure to return the products. The inventory due from the customer is accounted at cost or market value whichever is lower.

**Impairment of Goodwill and Intangible Assets**

We perform impairment tests of goodwill and intangible assets with indefinite useful lives on an annual basis in the fourth fiscal quarter, or sooner if a triggering event occurs suggesting possible impairment of the values of these assets. Impairment testing for these assets involves a two-step process. In the first step, the fair value of the reporting unit holding the assets is compared to its carrying amount. If the carrying amount of the reporting unit exceeds its fair value, the second step of the impairment test is performed to measure the amount of the impairment loss, if any. In the second step, the fair value of the reporting unit is allocated to all of its assets and liabilities, including intangible assets and liabilities not recorded on the balance sheet. The excess, if any, of the fair value of the reporting unit over the sum of the fair values allocated to identified assets and liabilities is the value of goodwill to be compared to its carrying value.

During the third quarter of 2017, the Company determined that goodwill and an intangible asset consisting of customer relationships were impaired and recognized a charge of \$12.7 million towards goodwill impairment and \$0.8 million towards the intangible asset impairment. There were no such impairment charges during the year ended December 31, 2018.



[Table of Contents](#)**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS****Impairment of Long-Lived Assets**

We assess the impairment of long-lived assets, such as property and equipment and definite-lived intangible assets subject to amortization, whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to estimated future undiscounted net cash flows of the related asset or group of assets over their remaining lives. If the carrying amount of an asset exceeds its estimated future undiscounted cash flows, an impairment charge is recognized for the amount by which the carrying amount exceeds the estimated fair value of the asset. Impairment of long-lived assets is assessed at the lowest levels for which there are identifiable cash flows that are independent of other groups of assets. The impairment of long-lived assets requires judgments and estimates. If circumstances change, such estimates could also change. Assets held for sale are reported at the lower of the carrying amount or fair value, less the estimated costs to sell.

**Accounting for Income Taxes**

We are subject to income taxes in both the United States and in certain non-U.S. jurisdictions. We account for income taxes following ASC 740, *Accounting for Income Taxes*, recognizing deferred tax assets and liabilities using enacted tax rates for the effect of temporary differences between book and tax basis of recorded assets and liabilities. We estimate our current tax position together with our future tax consequences attributable to temporary differences resulting from differing treatment of items, such as deferred revenue, depreciation, and other reserves for tax and accounting purposes. These temporary differences result in deferred tax assets and liabilities. We assess the likelihood that our deferred tax assets will be recovered from future taxable income, prior year carryback, or future reversals of existing taxable temporary differences. To the extent we believe that recovery is not more likely than not, we establish a valuation allowance against these deferred tax assets. Significant judgment is required in determining our provision for income taxes, our deferred tax assets and liabilities, and any valuation allowance recorded against our deferred tax assets.

To the extent we establish a valuation allowance in a period, we must include and expense the allowance within the tax provision in the consolidated statement of operations. In accordance with ASC Topic 740, "Accounting for Income Taxes", we analyzed our valuation allowance at December 31, 2018 and determined that based upon available evidence it is more likely than not that certain of our net deferred tax assets will not be realized and, accordingly, we have recorded a full valuation allowance against these deferred tax assets in the amount of \$11.5 million. Please refer to [Note 12 - Income Taxes](#) in the Notes to Consolidated Financial Statements for additional information.

**Share-Based Payments**

We estimate the fair value of stock options using the Black-Scholes option pricing model, which requires certain estimates, including an expected forfeiture rate and expected term of options granted. We also make decisions regarding the method of calculating expected volatilities and the risk-free interest rate used in the option-pricing model. The resulting calculated fair value of stock options is recognized as compensation expense over the requisite service period, which is generally the vesting period. When there are changes to the assumptions used in the option-pricing model, including fluctuations in the market price of our common stock, there will be variations in the calculated fair value of our future stock option awards, which results in variation in the compensation cost recognized.

**IMPACT OF RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

For descriptions of recently issued accounting standards, see [Note 1. Business Description, Basis of Presentation and Significant Accounting Policies](#) of our Notes to Consolidated Financial Statements.

[Table of Contents](#)**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not Applicable

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

Financial statements and supplementary data required by this are included herein as a separate section of this Form 10-K, beginning on page F-1, and are incorporated in this Item 8 by reference.

**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

**ITEM 9A. CONTROLS AND PROCEDURES*****Evaluation of Disclosure Controls and Procedures***

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized, and reported within the required time periods, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Senior Vice President of Finance, as appropriate, to allow for timely decisions regarding required disclosure. As required by Rule 13a-15 under the Exchange Act, we have completed an evaluation, under the supervision and with the participation of our management, including the Chief Executive Officer and the Senior Vice President of Finance, of the effectiveness and the design and operation of our disclosure controls and procedures as of December 31, 2018. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives. Based upon this evaluation, our Chief Executive Officer and Senior Vice President of Finance concluded that, as of the end of the period covered by this Annual Report, our disclosure controls and procedures were not effective at a reasonable assurance level as of December 31, 2018 due to the material weakness in internal control over financial reporting as described below. Despite the existence of this material weakness, the Company believes the financial information presented herein is materially correct and in accordance with U.S. generally accepted accounting principles, and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The consolidated financial statements together with the other financial information included in the consolidated financial statements and this Annual Report on Form 10-K fairly present, in all material respects, the financial condition, financial performance and cash flows of the Company for the year ended December 31, 2018.

The effectiveness of any system of disclosure controls and procedures is subject to certain limitations, including the exercise of judgment in designing, implementing, and evaluating the controls and procedures, the assumptions used in identifying the likelihood of future events, and the inability to eliminate improper conduct completely. A controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a Company have been detected. As a result, there can be no assurance that our disclosure controls and procedures will detect all errors or fraud.

***Management’s Annual Report on Internal Control Over Financial Reporting***

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2018 based on the framework set forth in *Internal Control - Integrated Framework* (2013 framework) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Public Company Accounting Oversight Board's Auditing Standard No. 5 defines a material weakness as a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected on a timely basis. Management identified a material weakness in the operating effectiveness of internal control over financial reporting relating to the accurate and timely reporting of its financial results and disclosures for the fiscal year ended December 31, 2018 and its testing and assessment of the design and operating effectiveness of internal controls over financial reporting in a timely manner. This material weakness was identified prior to the issuance of our consolidated financial statements for the year ended December 31, 2018, and could result in material misstatements in the Company's annual or interim consolidated financial statements that would not be prevented or detected.

As a result of the material weakness described above, management concluded that our internal control over financial reporting was not effective as of December 31, 2018.

***Changes in Internal Control Over Financial Reporting***

There were no changes in our internal control over financial reporting that occurred during the fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

***Remediation Activities***

To address the material weakness, management is working on a remediation plan which supplements the existing controls. The remediation plan includes an assessment of personnel levels and responsibilities, additional training of financial reporting personnel and ability to handle new requirements and projects on a timely basis with respect to the preparation of the consolidated financial statements and public company reporting requirements and timelines. The material weakness will be fully remediated when, in the opinion of management, the control processes have been operating for a sufficient period of time to provide reasonable assurance as to their effectiveness. The remediation and ultimate resolution of the material weakness will be reviewed with the Audit Committee of the Board of Directors.

**ITEM 9B. OTHER INFORMATION**

None.

[Table of Contents](#)**PART III****ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2019 annual meeting of shareholders or an amendment to this Annual Report on Form 10-K, which will be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year covered by this Annual Report on form 10-K.

**ITEM 11. EXECUTIVE COMPENSATION**

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2019 annual meeting of shareholders or an amendment to this Annual Report on Form 10-K, which will be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year covered by this Annual Report on form 10-K.

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2019 annual meeting of shareholders or an amendment to this Annual Report on Form 10-K, which will be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year covered by this Annual Report on form 10-K.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE**

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2019 annual meeting of shareholders or an amendment to this Annual Report on Form 10-K, which will be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year covered by this Annual Report on form 10-K.

**ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2019 annual meeting of shareholders or an amendment to this Annual Report on Form 10-K, which will be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year covered by this Annual Report on form 10-K.

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## PART IV

### ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

1. Financial Statements: Financial statements set forth under Part II, Item 8 of this Annual Report on Form 10-K are filed in a separate section of this Form 10-K. See the “Index to Consolidated Financial Statements”.
2. Financial Statement Schedules: All schedules are omitted since they either are not required, not applicable or the information is presented in the accompanying consolidated financial statements and notes thereto.
3. Exhibits: The exhibits listed under the Index of exhibits in the next page are filed or incorporated by reference as part of this Form 10-K.

### ITEM 16. FORM 10-K SUMMARY

Not applicable.

[Table of Contents](#)**INDEX TO EXHIBITS**

<b>Exhibit Number</b>	<b>Exhibit Description</b>	<b>Form</b>	<b>Exhibit Incorporated Herein by Reference</b>	<b>Filing Date</b>
3.1	<a href="#">Certificate of Incorporation of ClearOne, Inc.</a>	8-K	3.1	10/29/18
3.2	<a href="#">Bylaws</a>	8-K	3.2	10/29/18
10.1	<a href="#">1997 Employee Stock Purchase Plan</a>	S-8	4.9	10/06/06
10.2	<a href="#">1998 Stock Option Plan</a>	S-8	4.8	10/06/06
10.3	<a href="#">2007 Equity Incentive Plan</a>	S-8	4.7	01/22/08
10.4	<a href="#">ClearOne, Inc. Equity Incentive Plan</a>	S-8	4.8	01/26/16
10.5	<a href="#">Amendment No. 1 to the ClearOne, Inc. Equity Incentive Plan</a>	S-8	4.11	06/30/15
10.6	<a href="#">ClearOne, Inc. Employee Stock Purchase Plan</a>	S-8	4.3	06/30/15
10.7	<a href="#">Office Lease between Edgewater Corporate Park, LLC and ClearOne Communications, Inc. dated June 5, 2006</a>	10-K	10.19	09/14/06
10.8	<a href="#">Stock Purchase Agreement Between ClearOne, Inc. and Doran M. Oster Dated March 4, 2014 for the Sabine Acquisition.</a>	10-K	10.7	03/20/14
10.9	<a href="#">Manufacturing Services Agreement between Flextronics Industrial, Ltd. and ClearOne Communications, Inc. dated November 3, 2008</a>	10-K	10.21	10/13/09
10.10	<a href="#">Framework Agreement between ClearOne, Inc. and Dialcom Networks S.L., dated December 20, 2013</a>	8-K	10.1	04/07/14
10.11	<a href="#">Amendment to Framework Agreement between ClearOne, Inc. and Dialcom Networks S.L., dated March 31, 2014</a>	8-K	10.2	04/07/14
10.12	<a href="#">Purchase Agreement between ClearOne, Inc. and Dialcom Networks S.L., dated March 31, 2014</a>	10-Q	10.3	05/14/14
10.13	<a href="#">Form of Offer to Repurchase Eligible Options for Cash</a>	10-Q	10.1	05/10/16
14.1	<a href="#">Code of Ethics, approved by the Board of Directors on August 23, 2006</a>	10-K	14.1	09/14/06
21.1†	<a href="#">Subsidiaries of the registrant</a>			
23.1†	<a href="#">Consent of Tanner LLC, Independent Registered Public Accounting Firm</a>			
31.1†	<a href="#">Section 302 Certification of Chief Executive Officer</a>			
31.2†	<a href="#">Section 302 Certification of Chief Financial Officer</a>			
32.1†	<a href="#">Section 906 Certification of Chief Executive Officer</a>			
32.2†	<a href="#">Section 906 Certification of Chief Financial Officer</a>			
101.INS‡	XBRL Instance Document			
101.SCH‡	XBRL Taxonomy Extension Schema			
101.CAL‡	XBRL Taxonomy Extension Calculation Linkbase			
101.DEF‡	XBRL Taxonomy Extension Definitions Linkbase			
101.LAB‡	XBRL Taxonomy Extension Label Linkbase			
101.PRE‡	XBRL Taxonomy Extension Presentation Linkbase			

\* Constitutes a management contract or compensatory plan or arrangement.

† Filed herewith

‡ Information furnished herewith shall not be deemed to be “filed” for the purposes of Section 18 of the 1934 Act

[Table of Contents](#)**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CLEARONE, INC.  
Registrant

/s/ Zeynep Hakimoglu

Zeynep Hakimoglu

President, Chief Executive Officer and Chairman of the Board

April 15, 2019

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Zeynep Hakimoglu

Zeynep Hakimoglu

President, Chief Executive Officer and Chairman of the Board  
(principal executive officer)

April 15, 2019

/s/ Narsi Narayanan

Narsi Narayanan

Senior Vice President of Finance  
(principal accounting and principal financial officer)

April 15, 2019

/s/ Eric L. Robinson

Eric L. Robinson

Director

April 15, 2019

/s/ Larry R. Hendricks

Larry R. Hendricks

Director

April 15, 2019

[Table of Contents](#)**CLEARONE, INC.****INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

	<b>Page</b>
<a href="#">Report of Independent Registered Public Accounting Firm</a>	F-1
<a href="#">Consolidated Balance Sheets as of December 31, 2018 and December 31, 2017</a>	F-2
<a href="#">Consolidated Statements of Operations and Comprehensive Loss for the years ended December 31, 2018 and 2017</a>	F-3
<a href="#">Consolidated Statements of Shareholders' Equity for the years ended December 31, 2018 and 2017</a>	F-4
<a href="#">Consolidated Statements of Cash Flows for the years ended December 31, 2018 and 2017</a>	F-5
<a href="#">Notes to Consolidated Financial Statements</a>	F-7



[Table of Contents](#)**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Stockholders and Board of Directors  
ClearOne, Inc.

*Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of ClearOne, Inc. and subsidiaries (collectively, ClearOne) as of December 31, 2018 and 2017, and the related consolidated statements of operations and comprehensive loss, shareholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2018, and the related notes to the consolidated financial statements (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements referred to above present fairly, in all material aspects, the financial position of ClearOne as of December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America

*Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

We were not engaged to examine management's assertion about the effectiveness of ClearOne's internal control over financial reporting as of December 31, 2018 included in the accompanying management's annual report on internal control over financial reporting and, accordingly, we do not express an opinion thereon.

We have served as the Company's auditor since October 14, 2015.

/s/ TANNER LLC

Salt Lake City, Utah  
April 15, 2019

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**CLEARONE, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(Dollars in thousands, except par value)**

	<b>December 31, 2018</b>	<b>December 31, 2017</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 11,211	\$ 5,571
Marketable securities	951	2,689
Receivables, net of allowance for doubtful accounts of \$631 and \$472, as of December 31, 2018 and 2017 respectively	6,782	7,794
Inventories	13,228	14,415
Distributor channel inventories	—	1,555
Prepaid expenses and other assets	2,193	1,862
Total current assets	34,365	33,886
Long-term marketable securities	3,764	10,349
Long-term inventories, net	8,953	8,708
Property and equipment, net	1,388	1,549
Intangible assets, net	10,249	6,543
Deferred income taxes	—	6,531
Other assets	196	311
Total assets	<u>\$ 58,915</u>	<u>\$ 67,877</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 3,729	\$ 4,122
Accrued liabilities	1,996	1,843
Deferred product revenue	283	4,635
Total current liabilities	6,008	10,600
Deferred rent	135	103
Other long-term liabilities	571	607
Total liabilities	6,714	11,310
Shareholders' equity:		
Common stock, par value \$0.001, 50,000,000 shares authorized, 16,630,597 and 8,319,022 shares issued and outstanding as of December 31, 2018 and 2017 respectively	17	8
Additional paid-in capital	57,840	47,464
Accumulated other comprehensive loss	(181)	(65)
Retained earnings/(accumulated deficit)	(5,475)	9,160
Total shareholders' equity	52,201	56,567
Total liabilities and shareholders' equity	<u>\$ 58,915</u>	<u>\$ 67,877</u>

*See accompanying notes*

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**CLEARONE, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
(Dollars in thousands, except per share amounts)

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Revenue	\$ 28,156	\$ 41,804
Cost of goods sold	14,785	17,795
Gross profit	13,371	24,009
Operating expenses:		
Sales and marketing	9,908	10,996
Research and product development	7,840	9,342
General and administrative	5,950	7,161
Impairment of an intangible asset	—	769
Impairment of goodwill	—	12,724
Legal settlement	—	(790)
Total operating expenses	23,698	40,202
Operating loss	(10,327)	(16,193)
Other income, net	80	300
Loss before income taxes	(10,247)	(15,893)
Provision for/(benefit from) income taxes	6,440	(1,721)
Net loss	\$ (16,687)	\$ (14,172)
Basic loss per common share	\$ (1.87)	\$ (1.65)
Diluted loss per common share	\$ (1.87)	\$ (1.65)
Basic weighted average shares outstanding	8,942,629	8,576,588
Diluted weighted average shares outstanding	8,942,629	8,576,588
Comprehensive loss:		
Net loss	\$ (16,687)	\$ (14,172)
Other comprehensive income/loss:		
Unrealized gain (loss) on available-for-sale securities, net of tax	(38)	36
Change in foreign currency translation adjustment	(78)	104
Comprehensive loss	\$ (16,803)	\$ (14,032)

*See accompanying notes*

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**CLEARONE, INC.**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
(Dollars in thousands, except per share data)

	Common Stock		Additional	Accumulated	Retained	Total
	Shares	Amount	Paid-in	Other	Earnings	Shareholders'
			Capital	Comprehensive	(Accumulated	Equity
				Income (Loss)	Deficit)	
Balances at December 31, 2016	8,812,644	9	46,669	(205)	30,976	77,449
Exercise of stock options	45,260	—	64	—	—	64
Stock repurchased	(551,936)	(1)	—	—	(5,118)	(5,119)
Restricted stock granted	5,000	—	—	—	—	—
Cash dividends, \$0.26 per share	—	—	—	—	(2,239)	(2,239)
Stock-based compensation expense	—	—	665	—	—	665
Cancellation of restricted stock and stock options	(1,056)	—	—	—	(287)	(287)
Proceeds from employee stock purchase plan	9,110	—	66	—	—	66
Unrealized gain on available-for-sale securities, net of tax	—	—	—	36	—	36
Foreign currency translation adjustment	—	—	—	104	—	104
Net loss	—	—	—	—	(14,172)	(14,172)
Balances at December 31, 2017	8,319,022	8	47,464	(65)	9,160	56,567
Issuance of common stock	8,306,535	9	9,874	—	—	9,883
Stock repurchased	(17,549)	—	—	—	(147)	(147)
Cash dividends, \$0.07 per share	—	—	—	—	(583)	(583)
Stock-based compensation expense	—	—	463	—	—	463
Cancellation of restricted stock and stock options	(1,200)	—	—	—	—	—
Proceeds from employee stock purchase plan	23,789	—	39	—	—	39
Unrealized loss on available-for-sale securities, net of tax	—	—	—	(38)	—	(38)
Foreign currency translation adjustment	—	—	—	(78)	—	(78)
Impact on retained earnings for change in revenue recognition policy	—	—	—	—	2,782	2,782
Net loss	—	—	—	—	(16,687)	(16,687)
Balances at December 31, 2018	<u>16,630,597</u>	<u>\$ 17</u>	<u>\$ 57,840</u>	<u>\$ (181)</u>	<u>\$ (5,475)</u>	<u>\$ 52,201</u>

*See accompanying notes*

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**CLEARONE, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Cash flows from operating activities:		
Net loss	\$ (16,687)	\$ (14,172)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	1,590	1,531
Impairment of goodwill and intangible assets	—	13,493
Amortization of deferred rent	12	(44)
Stock-based compensation expense	463	665
Provision for doubtful accounts, net	159	252
Write-down of inventory to net realizable value	787	649
Loss on disposal of assets	1	7
Deferred income taxes	6,531	(1,877)
Changes in operating assets and liabilities:		
Receivables	835	(526)
Inventories	155	(10,756)
Prepaid expenses and other assets	43	9
Accounts payable	(392)	572
Accrued liabilities	184	(23)
Income taxes payable	(258)	853
Deferred product revenue	(8)	740
Other long-term liabilities	(36)	(644)
Net cash used in operating activities	<u>(6,621)</u>	<u>(9,271)</u>
Cash flows from investing activities:		
Capitalized patent defense costs	(4,698)	(2,289)
Purchase of property and equipment	(336)	(638)
Purchase of intangible assets	(101)	(278)
Proceeds from maturities and sales of marketable securities	10,516	17,640
Purchase of marketable securities	(2,230)	(4,248)
Net cash provided by investing activities	<u>3,151</u>	<u>10,187</u>
Cash flows from financing activities:		
Issuance of common stock	9,883	—
Net proceeds from equity-based compensation programs	39	130
Repurchase and cancellation of stock options	—	(287)
Dividend payments	(583)	(2,239)
Payments for stock repurchases	(147)	(5,119)
Net cash used in financing activities	<u>9,192</u>	<u>(7,515)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(82)</u>	<u>70</u>
Net increase (decrease) in cash and cash equivalents	5,640	(6,529)
Cash and cash equivalents at the beginning of the year	5,571	12,100
Cash and cash equivalents at the end of the year	<u>\$ 11,211</u>	<u>\$ 5,571</u>

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CLEARONE, INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2018	2017
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ 11	\$ 6

See accompanying notes

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**CLEARONE, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except share and per share amounts)**

**1. Business Description, Basis of Presentation and Significant Accounting Policies*****Business Description:***

ClearOne, Inc., together with its subsidiaries (collectively, “ClearOne” or the “Company”), is a global market leader enabling conferencing, collaboration, and network streaming solutions. The performance and simplicity of our advanced, comprehensive solutions offer unprecedented levels of functionality, reliability and scalability.

***Basis of Presentation:***

*Fiscal Year* – This report on Form 10-K includes consolidated balance sheets for the years ended December 31, 2018 and 2017 and the related consolidated statements of operations and comprehensive loss, shareholders' equity, and cash flows for each of the years 2018 and 2017.

*Consolidation* – These consolidated financial statements include the financial statements of ClearOne, Inc. and its wholly owned subsidiaries. All inter-Company accounts and transactions have been eliminated in consolidation.

*Use of Estimates* – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of sales and expenses during the reporting periods. Key estimates in the accompanying consolidated financial statements include, among others, revenue recognition, allowances for doubtful accounts receivable and product returns, provisions for obsolete inventory, potential impairment of goodwill and of long-lived assets, and deferred income tax asset valuation allowances. Actual results could differ materially from these estimates.

*Foreign Currency Translation* – We are exposed to foreign currency exchange risk through our foreign subsidiaries. Other than our subsidiaries in India and Spain, all other foreign subsidiaries are U.S. dollar functional, for which gains and losses arising from remeasurement are included in earnings. Our Spanish subsidiary is Euro functional, for which gains and losses arising from translation are included in accumulated other comprehensive income or loss. Our Indian subsidiary is Indian Rupee functional, for which gains and losses arising from translation are included in accumulated other comprehensive income or loss. We translate and remeasure foreign assets and liabilities at exchange rates in effect at the balance sheet dates. We translate revenue and expenses using average rates during the year.

*Concentration Risk* – We depend on an outsourced manufacturing strategy for our products. We outsource the manufacture of all of our products to third party manufacturers located in Asia. If any of these manufacturers experience difficulties in obtaining sufficient supplies of components, component prices significantly exceeding the anticipated costs, an interruption in their operations, or otherwise suffer capacity constraints, we would experience a delay in production and shipping of these products, which would have a negative impact on our revenues. Should there be any disruption in services due to natural disaster, economic or political difficulties, transportation restrictions, acts of terror, quarantine or other restrictions associated with infectious diseases, or other similar events, or any other reason, such disruption may have a material adverse effect on our business. Operating in the international environment exposes us to certain inherent risks, including unexpected changes in regulatory requirements and tariffs, and potentially adverse tax consequences, which could materially affect our results of operations. Currently, we have no second source of manufacturing for a portion of our products.

***Significant Accounting Policies:***

*Cash Equivalents* – The Company considers all highly-liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. The Company places its temporary cash investments with high-quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limits.

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### (Dollars in thousands, except share and per share amounts)

**Marketable Securities** - The Company has classified its marketable securities as available-for-sale securities. These debt securities are carried at estimated fair value with unrealized holding gains and losses included in other comprehensive income (loss) in shareholders' equity until realized. Gains and losses on marketable security transactions are reported on the specific-identification method. Dividend and interest income are recognized when earned.

A decline in the market value of any available-for-sale security below cost that is deemed other than temporary results in a charge to earnings and establishes a new cost basis for the security. Losses are charged against "Other income" when a decline in fair value is determined to be other than temporary. We review several factors to determine whether a loss is other than temporary. These factors include, but are not limited to: (i) the extent to which the fair value is less than cost and the cause for the fair value decline, (ii) the financial condition and near term prospects of the issuer, (iii) the length of time a security is in an unrealized loss position and (iv) our ability to hold the security for a period of time sufficient to allow for any anticipated recovery in fair value. There were no other-than-temporary impairments recognized during the years ended December 31, 2018 and 2017.

**Accounts Receivable** – Accounts receivable are recorded at the invoiced amount. Generally, credit is granted to customers on a short-term basis without requiring collateral, and as such, these accounts receivable, do not bear interest, although a finance charge may be applied to such receivables that are past due. The Company extends credit to customers who it believes have the financial strength to pay. The Company has in place credit policies and procedures, an approval process for sales returns and credit memos, and processes for managing and monitoring channel inventory levels.

The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. Management regularly analyzes accounts receivable including current aging, historical write-off experience, customer concentrations, customer creditworthiness, and current economic trends when evaluating the adequacy of the allowance for doubtful accounts. We review customer accounts quarterly by first assessing accounts with aging over a specific duration and balance over a specific amount. We review all other balances on a pooled basis based on past collection experience. Accounts identified in our customer-level review as exceeding certain thresholds are assessed for potential allowance adjustment if we conclude the financial condition of that customer has deteriorated, adversely affecting their ability to make payments. Delinquent account balances are written off if the Company determines that the likelihood of collection is not probable. If the assumptions that are used to determine the allowance for doubtful accounts change, the Company may have to provide for a greater level of expense in future periods or reverse amounts provided in prior periods.

The Company's allowance for doubtful accounts activity for the years ended December 31, 2018 and 2017 is as follows:

	<b>Year Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Balance at beginning of the year	\$ 472	\$ 187
Allowance increase (decrease)	159	287
Write offs, net of recoveries	-	(2)
Balance at end of the year	<u>\$ 631</u>	<u>\$ 472</u>

**Inventories** – Inventories are valued at the lower of cost or market, with cost computed on a first-in, first-out ("FIFO") basis. In addition to the price of the product purchased, the cost of inventory includes the Company's internal manufacturing costs, including warehousing, engineering, material purchasing, quality and product planning expenses and applicable overhead, not in excess of estimated realizable value. Consideration is given to obsolescence, excessive levels, deterioration, direct selling expenses, and other factors in evaluating net realizable value.

Distributor channel inventories include products that have been delivered to customers for which revenue recognition criteria have not been met.

The inventory also includes advance replacement units (valued at cost) provided by the Company to end-users to service defective products under warranty. The value of advance replacement units included in the inventory was \$184 and \$76, as of December 31, 2018 and 2017, respectively.

The inventory consists of current inventory of \$13,228 and long-term inventory of \$8,953. Long term inventory represents inventory held in excess of our current (next 12 months) requirements based on our recent sales and forecasted level of sales.



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### (Dollars in thousands, except share and per share amounts)

*Property and Equipment* – Property and equipment are stated at cost less accumulated depreciation and amortization. Expenditures that materially increase values or capacities or extend useful lives of property and equipment are capitalized. Routine maintenance, repairs, and renewal costs are expensed as incurred. Gains or losses from the sale, trade-in, or retirement of property and equipment are recorded in current operations and the related book value of the property is removed from property and equipment accounts and the related accumulated depreciation and amortization accounts. Estimated useful lives are generally two to ten years. Depreciation and amortization are calculated over the estimated useful lives of the respective assets using the straight-line method. Leasehold improvement amortization is computed using the straight-line method over the shorter of the lease term or the estimated useful life of the related assets.

*Goodwill and Intangible Assets* – Intangible assets acquired in a purchase business combination are amortized over their useful lives unless these lives are determined to be indefinite. Intangible assets are carried at cost, less accumulated amortization. Amortization is computed over the estimated useful lives of the respective assets, which are generally three to ten years. Goodwill represents the excess of costs over the fair value of net assets of businesses acquired. Goodwill and intangible assets acquired in a purchase business combination and determined to have an indefinite useful life are not amortized.

*Impairment of Goodwill* - Goodwill is measured as the excess of the cost of acquisition over the sum of the amounts assigned to tangible and identifiable intangible assets acquired less liabilities assumed. In accordance with the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 350, *Intangibles – Goodwill and Other* the Company performs impairment tests of goodwill on an annual basis in the fourth fiscal quarter, or sooner if a triggering event occurs suggesting possible impairment of the values of these assets.

We assess the recoverability of our one reporting unit's carrying value of goodwill by making a qualitative or quantitative assessment. If we begin with a qualitative assessment and are able to support the conclusion that it is not more likely than not that the fair value of the Company is less than its carrying value, we are not required to perform the two-step impairment test. Otherwise, using the two-step approach is required (See [Note 3 – Business Combinations, Goodwill and Intangibles](#)). ClearOne and all of its subsidiaries are considered as one reporting unit for this purpose.

In the first step of the goodwill impairment test, we compare the carrying value the Company, including its recorded goodwill, to the estimated fair value. We estimate the fair value using an equity-value based methodology. The principal method used is an equity-value based method in which the Company's market-cap is compared to the net book value. This value is then compared to total net assets. If the fair value of the Company exceeds its carrying value, the goodwill is not impaired and no further review is required. However, if the fair value of the reporting unit is less than its carrying value, we perform the second step of the goodwill impairment test to determine the amount of the impairment charge, if any.

The second step involves a hypothetical allocation of the fair value of the Company to its net tangible and intangible assets (excluding goodwill) as if the business unit were newly acquired, which results in an implied fair value of goodwill. The amount of the impairment charge is the excess of the recorded goodwill over the implied fair value of goodwill.

During the third quarter ended September 30, 2017, we recorded \$12,724, or the entire value of goodwill, as an impairment charge. There were no such impairment charges during the year ended December 31, 2018.

*Impairment of Long-Lived Assets* - Long-lived assets, such as property, equipment, and definite-lived intangible assets subject to depreciation and amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to estimated future undiscounted net cash flows of the related asset or group of assets over their remaining lives. If the carrying amount of an asset exceeds its estimated future undiscounted cash flows, an impairment charge is recognized for the amount by which the carrying amount exceeds the estimated fair value of the asset. Impairment of long-lived assets is assessed at the lowest levels for which there are identifiable cash flows that are independent of other groups of assets. The impairment of long-lived assets requires judgments and estimates. If circumstances change, such estimates could also change. Assets held for sale are reported at the lower of the carrying amount or fair value, less the estimated costs to sell.

During the twelve months ended December 31, 2017 we recorded \$769 as a charge for impairment of an intangible asset consisting of customer relationships.

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### (Dollars in thousands, except share and per share amounts)

*Adoption of New Revenue Standard:* On January 1, 2018, as required, the Company adopted ASU No. 2014-09 - Revenue from Contracts with Customers (Topic 606) (“ASU 2014-09”), ASU No. 2015-14 - Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date (“ASU 2015-14”), ASU No. 2016-08 - Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (“ASU 2016-08”), ASU No. 2016-10 - Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing (“ASU 2016-10”), ASU No. 2016-12 - Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients (“ASU 2016-12”) and ASU No. 2016-20 - Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers (“ASU 2016-20”) (collectively “the New Revenue Standard”). To conform to the New Revenue Standard, the Company modified its revenue recognition policy as described further below.

*Change in Accounting Policy:* On January 1, 2018, the Company adopted the New Revenue Standard using the modified retrospective method, applying the guidance to all open contracts and recognized an adjustment to increase retained earnings by \$2,783, reduce deferred product revenue by \$4,338 and reduce distributor channel inventories by \$1,555 as of that date. The comparative financial information has not been restated and continues to be presented under the accounting standards in effect for the respective periods. The Company applied the practical expedient and has not disclosed the revenue allocated to future shipments of partially completed contracts.

Prior to our change in accounting policy, revenue from product sales to distributors was not recognized until the return privilege had expired or until it can be determined with reasonable certainty that the return privilege had expired, which approximated when the product was sold-through to customers of our distributors (dealers, system integrators, value-added resellers, and end-users), rather than when the product was initially shipped to a distributor. At each quarter-end, we evaluated the inventory in the distribution channel through information provided by our distributors. The level of inventory in the channel fluctuated up or down each quarter based upon our distributors’ individual operations. Accordingly, each quarter-end deferral of revenue and associated cost of goods sold were calculated and recorded based upon the actual channel inventory reported at quarter-end. Further, with respect to distributors and other channel partners not reporting the channel inventory, the revenue and associated cost of goods sold were deferred until we received payment for the product sales made to such distributors or channel partners.

After the change in the accounting policy, substantially all of the Company’s revenue is recognized following the transfer of control of the products to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying contracts. During the 12 months ended December 31, 2018, revenue decreased by \$1,252 due to the impact of the adoption of the New Revenue Standard.

*Revenue Recognition Policy:* The Company generates revenue from sales of its audio and video conferencing equipment to distributors, system integrators and value-added resellers. The Company also generates revenue, to a much lesser extent, from sale of software and licenses to distributors, system integrators, value-added resellers and end-users. The Company recognizes revenue when it satisfies a performance obligation in an amount reflecting the consideration to which it expects to be entitled. For sales agreements, the Company has identified the promise to transfer products, each of which are distinct, to be the performance obligation. The Company applies a five-step approach in determining the amount and timing of revenue to be recognized: (1) identifying the contract with a customer, (2) identifying the performance obligations in the contract, (3) determining the transaction price, (4) allocating the transaction price to the performance obligations in the contract and (5) recognizing revenue when the performance obligation is satisfied. Substantially all of the Company’s revenue is recognized at the time control of the products transfers to the customer.

Sales agreements with customers are renewable periodically and contain terms and conditions with respect to payment, delivery, warranty and supply, but typically do not require mandatory purchase commitments. In the absence of a sales agreement, the Company’s standard terms and conditions at the time of acceptance of purchase orders apply. The Company considers the customer purchase orders, governed by sales agreements or the Company’s standard terms and conditions, to be the contract with the customer. The Company evaluates certain factors including the customer’s ability to pay (or credit risk).

In determining the transaction price, the Company evaluates whether the price is subject to refund or adjustment to determine the net consideration to which the Company expects to be entitled. Sales to distributors, are typically made pursuant to agreements that provide return rights with respect to discontinued or slow-moving products, referred to as stock rotation. Sales to distributors can also be subject to price adjustment on certain products, primarily for distributors with drop-shipping rights. Although payment terms vary, most distributor agreements require payment within 45 days of invoicing.

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The Company recognizes revenue when it satisfies a performance obligation. The Company recognizes revenue from sales agreements upon transferring control of a product to the customer. This typically occurs when products are shipped or delivered, depending on the delivery terms, or when products that are consigned at customer locations are sold to dealers or end users. Revenue recognized during the twelve months ended December 31, 2018 for equipment sales was \$27,369, and for software, licenses, etc. was \$787. Sales returns and allowances are estimated based on historical experience. Provisions for discounts and rebates to customers, estimated returns and allowances, ship and credit claims and other adjustments are provided for in the same period the related revenues are recognized, and are netted against revenues. For returns, the Company recognizes a related asset for the right to recover returned products with a corresponding reduction to cost of goods sold. The Company reviews warranty and related claims activity and records provisions, as necessary.

Frequently, the Company receives orders with multiple delivery dates that may extend across reporting periods. Since each delivery constitutes a performance obligation, the Company allocates the transaction price of the contract to each performance obligation based on the stand-alone selling price of the products. The Company invoices the customer for each delivery upon shipment and recognizes revenues in accordance with delivery terms. Although payment terms vary, distributors typically pay within 45 days of invoicing and dealers pay within 30 days of invoicing. As scheduled delivery dates are within one year, revenue allocated to future shipments of partially completed contracts are not disclosed.

The Company has elected to record freight and handling costs associated with outbound freight after control over a product has transferred to a customer as a fulfillment cost and include it in cost of revenues. Taxes assessed by government authorities on revenue-producing transactions, including value-added and excise taxes, are presented on a net basis (excluded from revenues) in the consolidated statements of operations and comprehensive income.

The details of deferred revenue and associated cost of goods sold and gross profit are as follows:

	<b>As of December 31,</b>	
	<b>2018</b>	<b>2017</b>
Deferred revenue	\$ 283	\$ 4,635
Deferred cost of goods sold	-	1,555
Deferred gross profit	<u>\$ 283</u>	<u>\$ 3,080</u>

The Company offers rebates and market development funds to certain of its distributors, dealers/resellers, and end-users based upon the volume of product purchased by them. The Company records rebates as a reduction of revenue in accordance with GAAP.

The Company provides, at its discretion, advance replacement units to end-users on defective units of certain products under warranty. Since the purpose of these units is not revenue generating, the Company tracks the units due from the end-user, until the defective unit has been returned. Any amount due from the customer upon failure to return the products is accounted as receivable only after establishing customer's failure to return the products. The inventory due from the customer is accounted at cost or market value whichever is lower.

The following table disaggregates the Company's revenue into primary product groups:

	<b>Twelve months ended December 31, 2018</b>	<b>Twelve months ended December 31, 2017</b>
Audio Conferencing	\$ 13,946	\$ 21,078
Microphones	9,012	13,430
Video products	5,198	7,296
	<u>\$ 28,156</u>	<u>\$ 41,804</u>

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The following table disaggregates the Company's revenue into major regions:

	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
North and South America	\$ 16,534	\$ 26,310
Asia (including Middle East) and Australia	7,924	11,087
Europe and Africa	3,698	4,407
	<u>\$ 28,156</u>	<u>\$ 41,804</u>

*Warranty Costs* – The Company accrues for warranty costs based on estimated warranty return rates and estimated costs to repair. These reserve costs are classified as accrued liabilities on the consolidated balance sheets. Factors that affect the Company's warranty liability include the number of units sold, historical and anticipated rates of warranty returns, and repair cost. The Company reviews the adequacy of its recorded warranty accrual on a quarterly basis.

The details of changes in the Company's warranty accrual are as follows:

	Year Ended December 31, 2018	2017
Balance at the beginning of year	\$ 245	\$ 246
Accruals/additions	288	399
Usage/claims	(339)	(400)
Balance at end of year	<u>\$ 194</u>	<u>\$ 245</u>

*Advertising* – The Company expenses advertising costs as incurred. Advertising costs consist of trade shows, magazine advertisements, and other forms of media. Advertising expenses for the years ended December 31, 2018 and 2017 totaled \$1,037 and \$1,079, respectively, and are included in sales and marketing on the consolidated statements of operations and comprehensive loss.

*Research and Product Development Costs* – The Company expenses research and product development costs as incurred.

- sufficient taxable income within the allowed carryback or carryforward periods;
- future reversals of existing taxable temporary differences, including any tax planning strategies that could be utilized;
- nature or character (e.g., ordinary vs. capital) of the deferred tax assets and liabilities; and
- future taxable income exclusive of reversing temporary differences and carryforwards.

*Income Taxes* – The Company uses the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and operating loss and tax credit carry-forwards. These temporary differences will result in deductible or taxable amounts in future years when the reported amounts of the assets or liabilities are recovered or settled. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided when it is more likely than not that some or all of the deferred tax assets may not be realized. On a quarterly basis, the Company tests the value of deferred tax assets for impairment at the taxpaying-component level within each tax jurisdiction. Significant judgment and estimates are required in determining whether valuation allowances should be established as well as the amount of such allowances. The valuation allowance is based on our estimates of future taxable income and the period over which we expect the deferred tax assets to be recovered. Our assessment of future taxable income is based on historical experience and current and anticipated market and economic conditions and trends. In 2018, as a result of negative evidence, principally three years of cumulative pre-tax operating losses, we concluded that it was more likely than not that net operating losses, tax credits and other deferred tax assets were not realizable and therefore, we recorded a full valuation allowance against those net deferred tax assets. Adjustments to the valuation allowance increase or decrease the Company's income tax provision or benefit. As of December 31, 2018, the Company had no net deferred tax assets primarily due to valuation allowances recorded to account for the consecutive quarters with losses before taxes.

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*Recent changes:* On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act, which is generally effective for tax years beginning on January 1, 2018, makes broad and complex changes to the U.S. tax code, including, but not limited to, (1) reducing the U.S. federal corporate tax rate from 35 percent to 21 percent; (2) eliminating the corporate alternative minimum tax (AMT); (3) bonus depreciation that will allow for full expensing of qualified property; (4) creating a new limitation on deductible interest expense; (5) the repeal of the domestic production activity deduction; (6) the creation of the base erosion anti-abuse tax (BEAT), a new minimum tax; (7) a general elimination of U.S. federal income taxes on dividends from foreign subsidiaries and imposing a one-time repatriation tax on deemed repatriated earnings and profits of U.S.-owned foreign subsidiaries (the Transition Tax); (8) a new provision designed to tax global intangible low-taxed income (GILTI), which allows for the possibility of using foreign tax credits (FTCs) and a deduction of up to 50 percent to offset the income tax liability (subject to some limitations); and (9) changing rules related to uses and limitation of net operating loss carryforwards created in tax years beginning after December 31, 2017.

Shortly after enactment, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 118 ("SAB 118") which provided U.S. GAAP guidance on the accounting for the Tax Act's impact at December 31, 2017. A reporting entity may recognize provisional amounts, where the necessary information is not available, prepared or analyzed (including computations) in reasonable detail or where additional guidance is needed from the taxing authority to determine the appropriate application of the Act. A reporting entity's provisional impact analysis may be adjusted within the 12-month measurement period provided for under SAB 118.

The Transition Tax is based on the Company's post-1986 earnings and profits (E&P) of U.S.-owned foreign subsidiaries for which the Company had previously deferred U.S. income taxes. Due to the aggregate loss position of these subsidiaries, the Company estimates that the Transition Tax will not result in additional U.S. tax.

The reduction in the corporate tax rate to 21 percent due to the Tax Act became effective on January 1, 2018. Consequently, the Company has recorded a decrease related to the net deferred tax assets of approximately \$3.3 million with a corresponding net adjustment to deferred income tax expense of approximately \$3.3 million for the year ended December 31, 2017.

The impact of the Tax Act may differ from amounts currently recorded, possibly materially, during the 12-month measurement period due to, among other things, further refinement of the Company's calculations, changes in interpretations and assumptions the Company has made, guidance that may be issued and actions the Company may take as a result of the Tax Act.

The Company follows the provisions contained in ASC Topic 740, *Income Taxes*. The Company recognizes the tax benefit from an uncertain tax position only if it is at least more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position.



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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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*Earnings Per Share* – The following table sets forth the computation of basic and diluted loss per common share:

	<b>Year Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Numerator:		
Net loss	\$ (16,687)	\$ (14,172)
Denominator:		
Basic weighted average shares	8,942,629	8,576,588
Dilutive common stock equivalents using treasury stock method	-	-
Diluted weighted average shares	<u>8,942,629</u>	<u>8,576,588</u>
Basic loss per common share:	\$ (1.87)	\$ (1.65)
Diluted loss per common share:	\$ (1.87)	\$ (1.65)
Weighted average options outstanding	713,331	815,870
Anti-dilutive options not included in the computation	713,331	815,870

*Share-Based Payment* – We estimate the fair value of stock options using the Black-Scholes option-pricing model, which requires certain estimates, including an expected forfeiture rate and expected term of options granted. We also make decisions regarding the method of calculating expected volatilities and the risk-free interest rate used in the option-pricing model. The resulting calculated fair value of stock options is recognized as compensation expense over the requisite service period, which is generally the vesting period. When there are changes to the assumptions used in the option-pricing model, including fluctuations in the market price of our common stock, there will be variations in the calculated fair value of our future stock option awards, which results in variation in the compensation cost recognized.

*Recent Accounting Pronouncements* - In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) to bring transparency to lessee balance sheets. The ASU will require organizations that lease assets (lessees) to recognize assets and liabilities on the balance sheet for the rights and obligations created by all leases with terms of more than 12 months. The standard will apply to both types of leases-capital (or finance) leases and operating leases. Previously, GAAP has required only capital leases to be recognized on lessee balance sheets. The standard is effective for fiscal years beginning after December 15, 2018 and interim periods within fiscal years beginning after December 15, 2018. Early application will be permitted for all organizations. The original guidance required application on a modified retrospective basis with the earliest period presented. In August 2018, the FASB issued ASU 2018-11, Targeted Improvements to ASC 842, which includes an option to not restate comparative periods in transition and elect to use the effective date of ASC 842, Leases, as the date of initial application of transition. Based on the effective date, this guidance will apply and the Company will adopt this ASU beginning on January 1, 2019 and plan to elect the transition option provided under ASU 2018-11. The Company expects this standard will have a material effect on its consolidated balance sheets with the recognition of new right of use assets and lease liabilities for all operating leases, as these leases typically have a non-cancelable lease term of greater than one year.

In August 2016, the FASB issued ASU No. 2016-15, Classification of Certain Cash Receipts and Cash Payments, which addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice. ASU 2016-15 became effective for the Company on January 1, 2018. ASU 2016-15 had no material impact on our consolidated financial statements.

In May 2017, the FASB issued ASU No. 2017-09, Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting. The new guidance provides clarity and reduces both (1) diversity in practice and (2) cost and complexity when applying the guidance in Topic 718, Compensation—Stock Compensation, to a change to the terms or conditions of a share-based payment award. The accounting standard update became effective for The Company beginning January 1, 2018. ASU 2017-09 did not have any material impact on our consolidated financial statements.

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## 2. Marketable Securities

The Company has classified its marketable securities as available-for-sale securities. These securities are carried at estimated fair value with unrealized holding gains and losses included in accumulated other comprehensive income(loss) in shareholders' equity until realized. Gains and losses on marketable security transactions are reported on the specific-identification method. Dividend and interest income are recognized when earned.

The amortized cost, gross unrealized holding gains, gross unrealized holding losses, and fair value for available-for-sale securities by major security type and class of security at December 31, 2018 and 2017 were as follows:

	<u>Amortized cost</u>	<u>Gross unrealized holding gains</u>	<u>Gross unrealized holding losses</u>	<u>Estimated fair value</u>
<b>December 31, 2018</b>				
Available-for-sale securities:				
Corporate bonds and notes	\$ 2,911	\$ 1	\$ (31)	\$ 2,881
Municipal bonds	1,849	—	(15)	1,834
Total available-for-sale securities	<u>\$ 4,760</u>	<u>\$ 1</u>	<u>\$ (46)</u>	<u>\$ 4,715</u>
<b>December 31, 2017</b>				
Available-for-sale securities:				
Corporate bonds and notes	\$ 8,458	\$ 19	\$ (49)	\$ 8,428
Municipal bonds	4,637	1	(28)	4,610
Total available-for-sale securities	<u>\$ 13,095</u>	<u>\$ 20</u>	<u>\$ (77)</u>	<u>\$ 13,038</u>

Maturities of marketable securities classified as available-for-sale securities were as follows at December 31, 2018:

	<u>Amortized cost</u>	<u>Estimated fair value</u>
Due within one year	\$ 955	\$ 951
Due after one year through five years	3,805	3,764
Total available-for-sale securities	<u>\$ 4,760</u>	<u>\$ 4,715</u>

Debt securities in an unrealized loss position as of December 31, 2018 were not deemed impaired at acquisition and subsequent declines in fair value are not deemed attributed to declines in credit quality. Management believes that it is more likely than not that the securities will receive a full recovery of par value. The available-for-sale marketable securities in a gross unrealized loss position as of December 31, 2018 are summarized as follows:

	<u>Less than 12 months</u>		<u>More than 12 months</u>		<u>Total</u>	
	<u>Estimated fair value</u>	<u>Gross unrealized holding losses</u>	<u>Estimated fair value</u>	<u>Gross unrealized holding losses</u>	<u>Estimated fair value</u>	<u>Gross unrealized holding losses</u>
<b>As of December 31, 2018</b>						
Corporate bonds and notes	\$ —	\$ —	\$ 2,881	\$ 31	\$ 2,881	\$ 31
Municipal bonds	—	—	1,834	15	1,834	15
	<u>—</u>	<u>—</u>	<u>\$ 4,715</u>	<u>\$ 46</u>	<u>\$ 4,715</u>	<u>\$ 46</u>

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### 3. Business Combinations, Goodwill and Intangible Assets

#### *Goodwill impairment*

There was a decrease in goodwill of \$12,724 during 2017 due to the impairment of goodwill. During the third quarter ended September 30, 2017, there was a decrease in the Company's market capitalization which was determined to be a triggering event for potential goodwill impairment. Accordingly, the Company performed a goodwill impairment analysis. The Company utilized the market capitalization to estimate the fair value. Our total stockholders' equity exceeded the estimated fair value. The failure of step one of the goodwill impairment test triggered a step two impairment test. As a result of step two of the impairment test, the Company determined the implied fair value of goodwill and concluded that the carrying value of goodwill exceeded its implied fair value as of September 30, 2017. Accordingly, an impairment charge of \$12,724, which represents a full impairment charge, was recognized in the third quarter ended September 30, 2017. There were no such impairment charges during the year ended December 31, 2018.

#### *Intangible Assets*

Intangible assets as of December 31, 2018, and 2017 consisted of the following:

	Estimated useful lives (in years)	As of December 31,	
		2018	2017
Tradename	5 to 7	\$ 555	\$ 555
Patents and technological know-how	10	13,377	8,578
Proprietary software	3 to 15	2,981	2,981
Other	3 to 5	323	323
Total intangible assets, gross		17,236	12,437
Accumulated amortization		(6,987)	(5,894)
Total intangible assets, net		<u>\$ 10,249</u>	<u>\$ 6,543</u>

Intangible assets includes capitalized legal expenses, net of amortization of \$6,627 million related to our defense of patents from infringement by our competitors. Legal expenses have been capitalized upon satisfaction of two conditions: (a) a determination being made that a successful defense of this litigation is probable, and (b) that the monetary benefits arising out of such successful defense will be in excess of the costs for the defense. Please refer to Note 8 - Commitments and Contingencies for additional information.

During the years ended December 31, 2018 and 2017, amortization of these intangible assets were \$1,093 and \$932 respectively.

The estimated future amortization expense of intangible assets is as follows:

#### Years ending December 31,

2019	\$ 1,226
2020	1,048
2021	1,048
2022	1,048
2023	866
Thereafter	5,013
Total	<u>\$ 10,249</u>

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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#### 4. Inventories

Inventories, net of reserves, consisted of the following:

	As of December 31,	
	2018	2017
Current:		
Raw materials	\$ 1,795	\$ 197
Finished goods	11,433	14,218
Total	<u>\$ 13,228</u>	<u>\$ 14,415</u>
Long-term:		
Raw materials	\$ 2,165	\$ 2,682
Finished goods	6,788	6,026
Total	<u>\$ 8,953</u>	<u>\$ 8,708</u>

Long-term inventory represents inventory held in excess of our current (next 12 months) requirements based on our recent sales and forecasted level of sales. We have developed programs to reduce the inventory to normal operating levels in the near future. We expect to sell the above inventory, net of reserves, at or above the stated cost and believe that no loss will be incurred on its sale.

Current finished goods do not include distributor channel inventories in the amounts of approximately \$0 and \$1,555 as of December 31, 2018 and 2017, respectively. Distributor channel inventories represent inventory at distributors and other customers where revenue recognition criteria had not been achieved.

The losses incurred on valuation of inventory at the lower of cost or market value and write-off of obsolete inventory amounted to \$787 and \$649 during the years ended December 31, 2018 and 2017, respectively.

#### 5. Property and Equipment

Major classifications of property and equipment and estimated useful lives were as follows:

	Estimated useful lives in years	As of December 31,	
		2018	2017
Office furniture and equipment	3 to 10	\$ 5,041	\$ 4,904
Leasehold improvements	1 to 6	1,570	1,509
Vehicles	5 to 10	206	160
Manufacturing and test equipment	2 to 10	2,633	2,577
		<u>9,450</u>	<u>9,150</u>
Accumulated depreciation and amortization		(8,062)	(7,601)
Property and equipment, net		<u>\$ 1,388</u>	<u>\$ 1,549</u>

Depreciation expense on property and equipment for the years ended December 31, 2018 and 2017 was \$497 and \$599, respectively. During the twelve months ended December 31, 2017 we recorded \$128 for the disposal of fixed assets consisting of software, manufacturing equipment and furniture.

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## 6. Leases and Deferred Rent

Rent expense is recognized on a straight-line basis over the period of the lease taking into account future rent escalation and holiday periods. Rent expense was \$1,053 and \$999, including amortization of deferred rent of \$(12) and \$44 for the years ended December 31, 2018 and 2017, respectively.

We occupy a 5,000 square-foot facility in Gainesville, Florida under the terms of an operating lease that expires in February 2021 with the possibility of renewing the lease for 10 more years. The Gainesville facility was used primarily to support our research and development activities.

We currently occupy a 21,443 square-foot facility in Salt Lake City, Utah under the terms of an operating lease expiring in March 2024, with an option to extend for additional five years. The facility supports our principal administrative, sales, marketing, customer support, and research and product development activities.

We occupy a 10,700 square-foot warehouse in Shenzhen, China under the terms of an operating lease expiring in September 2019, which serves as manufacturing support center for Asia.

We occupy a 7,070 square-foot facility in Austin, Texas - under the terms of an operating lease expiring in October 2019. This facility support our sales, marketing, customer support, and research and development activities.

We occupy a 3,068 square-foot facility in Zaragoza, Spain under the terms of an operating lease expiring in March 2020. This office supports our research and development and customer support activities

We occupy a 6,175 square-foot facility in Chennai, India - under the terms of an operating lease expiring in August 2021. This facility support our administrative, marketing, customer support, and research and product development activities.

We occupy a 40,000 square-foot warehouse in Salt Lake City, Utah under the terms of an operating lease expiring in April 2025, which serves as our primary inventory fulfillment and repair center.

Future minimum lease payments under non-cancellable operating leases with initial terms of one year or more are as follows:

### Years ending December 31,

2019	\$	809
2020		700
2021		646
2022		595
2023		606
Thereafter		375
Total minimum lease payments	\$	<u>3,731</u>

## 7. Accrued Liabilities

Accrued liabilities consist of the following:

	<b>As of December 31,</b>	
	<b>2018</b>	<b>2017</b>
Accrued salaries and other compensation	\$ 882	\$ 1,072
Sales and marketing programs	537	435
Product warranty	194	245
Other accrued liabilities	383	91
Total	<u>\$ 1,996</u>	<u>\$ 1,843</u>

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**8. Commitments and Contingencies**

We establish contingent liabilities when a particular contingency is both probable and estimable. The Company is not aware of any pending claims or assessments, other than as described below, which may have a material adverse impact on the Company's financial position or results of operations.

*Outsource Manufacturers.* We have manufacturing agreements with electronics manufacturing service ("EMS") providers related to the outsourced manufacturing of our products. Certain manufacturing agreements establish annual volume commitments. We are also obligated to repurchase Company-forecasted but unused materials. The Company has non-cancellable, non-returnable, and long-lead time commitments with its EMS providers and certain suppliers for inventory components that will be used in production. The Company's purchase commitments under such agreements is approximately \$1,247 as of December 31, 2018.

*Uncertain Tax Positions.* As further discussed in Note 12, we had \$679 of uncertain tax positions as of December 31, 2018. Due to the inherent uncertainty of the underlying tax positions, it is not possible to forecast the payment of this liability to any particular year.

*Legal Proceedings.*Intellectual Property Litigation

The Company is involved in patent infringement against Shure Inc. ("Shure") in the matter styled *Shure Inc. v. ClearOne, Inc.*, 1:17-cv-03078, which is pending in the United States District Court for the Northern District of Illinois, Eastern Division, before the Honorable Edmond E. Chang. Shure initiated this litigation on April 24, 2017. Shure's initial complaint sought a declaratory judgment for non-infringement and invalidity of the Company's U.S. Patent No. 9,635,186 ("186 Patent") and Patent No. 9,264,553 ("553 Patent"). In early 2018, Shure added a claim that the '186 Patent is unenforceable. The Court dismissed Shure's request for declaratory judgment relating to the '553 Patent, which at the time in 2017, had not been asserted by the Company against any defendant and had been submitted to the USPTO for reissue. The Company has filed counterclaims against Shure for willful infringement of the Company's '186 Patent and the Company's U.S. Patent No. 9,813,806 ("806 Patent").

On July 14, 2017, Shure filed a petition with Patent Trial and Appeals Board ("PTAB") for *inter partes* review against the '553 Patent. On January 29, 2018, PTAB decided to institute *inter partes* review.

On August 6, 2017, the Company filed a motion seeking a preliminary injunction to enjoin the Shure from continuing to infringe on the Company's '186 Patent. On March 16, 2018 the Court denied the Company's motion for preliminary injunction. On February 6, 2019, the Company filed a motion for reconsideration of the Court's order denying a preliminary injunction against Shure to enjoin infringement of the '186 Patent. That motion is still pending.

In November 2018, the Court heard argument on the Company's motion seeking a preliminary injunction to enjoin Shure from continuing to infringe the Company's '806 Patent. The Court indicated during a status hearing on March 15, 2019 that it will issue a decision by mid-April 2019. That motion is still pending.

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### (Dollars in thousands, except share and per share amounts)

On January 24, 2019, PTAB issued a final written decision confirming the patentability of all claims of the '553 Patent. The '553 Patent covers aspects of ClearOne's revolutionary innovations in beamforming microphone arrays (BMAs). Shure filed a request for a rehearing, which the PTAB denied on March 25, 2019. Shure filed a notice of appeal of the PTAB's decision on April 8, 2019.

On April 10, 2019, the Company filed a new lawsuit against Shure in the United States District Court for the Northern District of Illinois, Eastern Division, styled *ClearOne, Inc. v. Shure Inc.*, 1:19-cv-02421. In this lawsuit, the Company asserts claims against Shure for infringement of the Company's '553 Patent and for trade secret misappropriation.

The Company intends to continue to vigorously enforce and defend its intellectual property rights in the Illinois Action and the PTAB proceedings.

During the twelve months ended December 31, 2018 and 2017, the Company recorded \$0 and \$1,111, respectively, of pretax gross expenses related to this intellectual property litigation to prevent infringement of the Company's patents. In addition, the Company also capitalized \$4,698 and \$2,289 of litigation expenses related to this matter during the twelve months ended December 31, 2018 and 2017, respectively.

#### Former Employee Litigation

*OSHA Complaint:* On or about October 24, 2016, the Company received written notice from the United States Department of Labor, Occupational Health and Safety Administration ("OSHA") that a complaint had been filed against it by a former employee. Among other things, the former employee's OSHA complaint alleged harassment, retaliation, and violations of 18 U.S.C.A. Section 1514A, et seq. (the "Sarbanes-Oxley Act"), arising out of the termination of his employment with the Company on or about August 17, 2016 (the "OSHA Complaint"). By letter dated March 2, 2017, the Company received notice that the same former employee who initiated the OSHA Complaint filed a complaint with the Utah Labor Commission, Anti-Discrimination & Labor Division ("UALD"), alleging that the employee's termination was discriminatory based upon a disability or, in the alternative, retaliatory for substantially the same reasons alleged in the OSHA Complaint. The charge was also forwarded to the United States Equal Employment and Opportunity Commission ("EEOC") and was also recognized as a charge under the EEOC's federal jurisdiction.

Following negotiations between the parties, the parties executed a settlement agreement on December 7, 2017 ("the Agreement") with respect to the OSHA Complaint. Per the terms of the Agreement, the Company's signing of the Agreement in no way constitutes an admission of a violation of any law or regulation enforced by OSHA. Around the same time in December 2017, the parties executed a side settlement agreement by which the former employee acknowledged that he does not believe that the Company engaged in activities which would be construed as violations of securities-related laws and agreed to withdraw his charge against the Company from the UALD and the EEOC. The charge was effectively withdrawn on December 6, 2017.

During the twelve months ended December 31, 2018 and 2017, the Company recorded \$0 and \$152, respectively, of pretax gross expenses and settlement costs related to the defense of the OSHA Complaint and review of the allegations underlying the former employee's OSHA complaint. The amount recorded in 2017 is net of recoveries from the insurance company towards this matter.

The Company maintains an Employment Practices Liability policy with Chubb/Federal Insurance Company (the "EPL Policy"). Based on the allegations contained in the OSHA Complaint, the Company has tendered a claim for coverage under the EPL Policy.

In addition, the Company is also involved from time to time in various claims and legal proceedings which arise in the normal course of our business. Such matters are subject to many uncertainties and outcomes that are not predictable. However, based on the information available to us, we do not believe any such other proceedings will have a material adverse effect on our business, results of operations, financial position, or liquidity.

#### *Conclusion*

We believe there are no other items that will have a material adverse impact on the Company's financial position or results of operations. Legal proceedings are subject to all of the risks and uncertainties of legal proceedings and there can be no assurance as to the probable result of any legal proceedings.

The Company believes it has adequately accrued for the aforementioned contingent liabilities. If adverse outcomes were to occur, our financial position, results of operations and cash flows could be negatively affected materially for the period in which the adverse outcomes are known.



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## 9. Share-Based Payments

### Employee Stock Option Plans

The Company's share-based incentive plan offering stock options is primarily through 2007 Equity Incentive Plan (the "2007 Plan"). Under this plan, one new share is issued for each stock option exercised. The plan is described below.

The 2007 Plan was restated and approved by the shareholders on December 12, 2016. Provisions of the restated 2007 Plan include the granting of up to 2,000,000 incentive and non-qualified stock options, stock appreciation rights, restricted stock and restricted stock units. Options may be granted to employees, officers, non-employee directors and other service providers and may be granted upon such terms as the Compensation Committee of the Board of Directors determines in their sole discretion.

All vesting schedules for options granted are based on 3 or 4-year vesting schedules, with either one-third or one-fourth vesting on the first anniversary and the remaining options vesting ratably over the remainder of the vesting term. Generally, directors and officers have 3-year vesting schedules and all other employees have 4-year vesting schedules. Additionally, in the event of a change in control or the occurrence of a corporate transaction, the Company's Board of Directors has the authority to elect that all unvested options shall vest and become exercisable immediately prior to the event or closing of the transaction. All options outstanding as of December 31, 2018 had contractual lives of ten years.

As of December 31, 2018, there were 624,256 options outstanding under the 2007 Plan. As of December 31, 2018, the 2007 Plan had 870,838 authorized unissued options, while there were no options remaining that could be granted under the 1998 Plan.

The Company uses judgment in determining the fair value of the share-based payments on the date of grant using an option-pricing model with assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to, the risk-free interest rate of the awards, the expected life of the awards, the expected volatility over the term of the awards, and the expected dividends of the awards. The Company uses the Black-Scholes option pricing model to determine the fair value of share-based payments granted under the guidelines of ASC Topic 718.

In applying the Black-Scholes methodology to the options granted, the Company used the following assumptions:

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Risk-free interest rate, average	—	2.21
Expected option life, average (in years)	—	7.9
Expected price volatility, average	—	40.71
Expected dividend yield	—	2.83

The risk-free interest rate is determined using the U.S. Treasury rate in effect as of the date of the grant, based on the expected life of the stock option. The expected life of the stock option is determined using historical data.

The expected price volatility is determined using a weighted average of daily historical volatility of the Company's stock price over the corresponding expected option life.

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Under guidelines of ASC Topic 718, the Company recognizes the associated compensation cost for only those awards expected to vest on a straight-line basis over the underlying requisite service period. The Company estimated the forfeiture rates based on its historical experience and expectations about future forfeitures.

The following table shows the stock option activity:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
As of December 31, 2016	850,232	\$ 8.06	5.78	\$ 3,001
Granted	105,000	9.90		
Expired and canceled	(3,144)	10.29		
Forfeited prior to vesting	(8,996)	11.01		
Exercised	(178,662)	5.90		
As of December 31, 2017	764,430	\$ 8.78	6.48	\$ 1,038
Granted	—	—		
Expired and canceled	(106,108)	7.56		
Forfeited prior to vesting	(34,066)	10.79		
Exercised	—	—		
As of December 31, 2018	624,256	\$ 8.87	5.28	\$ —
Vested and Expected to Vest at December 31, 2017	764,430	\$ 8.78	6.48	\$ 1,038
Vested at December 31, 2017	529,669	\$ 7.89	5.50	\$ 1,033
Vested and Expected to Vest at December 31, 2018	624,256	\$ 8.87	5.28	\$ —
Vested at December 31, 2018	548,045	\$ 8.62	4.90	\$ —

The weighted average per share fair value of options granted during the years ending December 31, 2018 and 2017 was \$0 and \$3.31 respectively. The total intrinsic value of options exercised during the years ended December 31, 2018 and 2017 was \$0 and \$646 respectively.

The total pre-tax compensation cost related to stock options recognized during the years ended December 31, 2018 and 2017 was \$463 and \$665, respectively. Tax benefit from compensation cost related to stock options during the years ended December 31, 2018 and 2017 was \$0. As of December 31, 2018, the total compensation cost related to stock options not yet recognized and before the effect of any forfeitures was \$262, which is expected to be recognized over approximately the next 1.17 years on a straight-line basis.

#### Employee Stock Purchase Plan

During the years ended December 31, 2018 and 2017, the Company issued shares to employees under the Company's 2016 Employee Stock Purchase Plan (the "ESPP"). The ESPP was approved by the Company's shareholders on December 12, 2016. As of December 31, 2018 and December 31, 2017, 442,994 and 466,783, respectively of the originally approved 500,000 shares were available for offerings under the ESPP. Offering periods under the ESPP commence on each Jan 1 and July 1, and continue for a duration of six months. The ESPP is available to all employees who do not own, or are deemed to own, shares of stock making up an excess of 5% of the combined voting power of the Company, its parent or subsidiary.

During each offering period, each eligible employee may purchase shares under the ESPP after authorizing payroll deductions. Under the ESPP, each employee may purchase up to the lesser of 2,500 shares or \$25 of fair market value (based on the established purchase price) of the Company's stock for each offering period. Unless the employee has previously withdrawn from the offering, his or her accumulated payroll deductions will be used to purchase common stock on the last business day of the period at a price equal to 85% (or a 15% discount) of the fair market value of the common stock on the first or last day of the offering period, whichever is lower.

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Shares purchased and compensation expense associated with Employee Stock Purchase Plans were as follows:

	<b>2018</b>	<b>2017</b>
Shares purchased under ESPP plan	23,789	9,110
Plan compensation expense	\$ 10	\$ 13

**Stock Repurchase Program and Cash Dividends**

On March 1, 2017, the Board of Directors of the Company renewed and extended the repurchase program for up to an additional \$10 million of common stock over the next twelve months. In connection with the repurchase extension authorization, the Company was authorized to complete the repurchase through open market transactions or through an accelerated share repurchase program, in each case to be executed at management's discretion based on business and market conditions, stock price, trading restrictions, acquisition activity and other factors. All the transactions effectuated under this program occurred in open market purchases. This program terminated in March 2018.

During the twelve months ended December 31, 2017, we acquired 551,936 shares at an average price of \$9.28 per share under the stock repurchase program authorized by the Board of Directors in March 2016 and renewed and extended in March 2017.

Before the program was terminated in March 2018, we acquired 17,549 shares at an average price of \$8.39 per share during 2018.

**Cash Dividends**

On February 21, 2018, the Company declared a cash dividend of \$0.07 per share of ClearOne common stock. The dividend was paid on March 21, 2018 to shareholders of record as of March 7, 2018. On June 13, 2018, the Company announced the suspension of its dividend program.

**Issuance of Common Stock**

The Company raise additional capital through an oversubscribed subscription rights offering (the "Rights Offering") which closed on December 4, 2018 and which raised \$9,883 (net of stock issuance costs). In the Rights Offering, we issued one subscription right to each of our shareholders for each share of our common stock that they held. Each subscription right entitled the shareholder to purchase one share of our common stock at a purchase price of \$1.20 per share. At the closing, we sold 8,306,535 shares of our common stock and returned subscriptions for 754,868 shares that were oversubscribed after allocating oversubscribed shares on a pro-rata basis.

**10. Significant Customers**

Sales to significant customers that represented more than 10 percent of total revenues are as follows:

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Customer A	*	16.1%
Total	—	16.1%

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The following table summarizes the percentage of total gross accounts receivable from significant customers:

	<b>As of December 31,</b>	
	<b>2018</b>	<b>2017</b>
Customer A	*	20.3%
Customer B	14.5%	11.0%
Customer C	11.8%	
<b>Total</b>	<b>26.3%</b>	<b>31.3%</b>

\* Sales to Customer A (Starin Marketing) in 2018 did not exceed 10% of the revenue. Customer A ceased to be a ClearOne distributor in 2018.

## 11. Fair Value Measurements

The fair value of the Company's financial instruments reflects the amounts that the Company estimates it will receive in connection with the sale of an asset or pay in connection with the transfer of a liability in an orderly transaction between market participants at the measurement date (exit price). The fair value hierarchy prioritizes the use of inputs used in valuation techniques into the following three levels:

Level 1 - Quoted prices in active markets for identical assets and liabilities.

Level 2 - Observable inputs other than quoted prices in active markets for identical assets and liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. This category generally includes U.S. Government and agency securities; municipal securities; mutual funds and securities sold and not yet settled.

Level 3 - Unobservable inputs.

The substantial majority of the Company's financial instruments are valued using quoted prices in active markets or based on other observable inputs. The following tables set forth the fair value of the financial instruments re-measured by the Company as of December 31, 2018 and 2017:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>December 31, 2018</b>				
Corporate bonds and notes	\$ —	\$ 2,881	\$ —	\$ 2,881
Municipal bonds	—	1,834	—	1,834
Total	<u>\$ —</u>	<u>\$ 4,715</u>	<u>\$ —</u>	<u>\$ 4,715</u>
<b>December 31, 2017</b>				
Corporate bonds and notes	\$ —	\$ 8,428	\$ —	\$ 8,428
Municipal bonds	—	4,610	—	4,610
Total	<u>\$ —</u>	<u>\$ 13,038</u>	<u>\$ —</u>	<u>\$ 13,038</u>

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**12. Income Taxes**

Consolidated income before taxes for domestic and foreign operations consisted of the following:

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Domestic	\$ (7,751)	\$ (12,630)
Foreign	(2,496)	(3,263)
Total	<u>\$ (10,247)</u>	<u>\$ (15,893)</u>

The Company's (provision) for income taxes consisted of the following:

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Current:		
Federal	\$ (71)	\$ 577
State	37	(66)
Foreign	117	(682)
Total current	<u>83</u>	<u>(171)</u>
Deferred:		
Federal	2,233	1,497
State	667	480
Foreign	495	748
Total	<u>3,395</u>	<u>2,725</u>
Change in valuation allowance	<u>(9,918)</u>	<u>(833)</u>
Total deferred	<u>(6,523)</u>	<u>1,892</u>
Benefit/(provision) for income taxes	<u>\$ (6,440)</u>	<u>\$ 1,721</u>

The income tax benefit (provision) differs from that computed at the federal statutory corporate income tax rate as follows:

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Tax benefit (provision) at federal statutory rate	\$ 2,152	\$ 5,403
State income tax benefit (provision), net of federal benefit	413	439
Research and development tax credits	250	411
Subpart F inclusion	—	(370)
Foreign earnings or losses taxed at different rates	12	(540)
Tax rate change	23	(3,161)
Other	628	372
Change in valuation allowance	<u>(9,918)</u>	<u>(833)</u>
Tax benefit (provision)	<u>\$ (6,440)</u>	<u>\$ 1,721</u>

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The tax effects of significant temporary differences representing net deferred tax assets and liabilities consisted of the following:

	2018	2017
Deferred revenue	\$ 50	\$ 738
Basis difference in intangible assets	3,283	3,403
Inventory reserve	2,235	2,089
Net operating loss carryforwards	4,067	1,627
Research and development tax credits	794	163
Accrued expenses	143	75
Stock-based compensation	362	327
Allowance for sales returns and doubtful accounts	160	119
Difference in property and equipment basis	(185)	(212)
Other	551	438
Total net deferred income tax asset	11,460	8,767
Less: Valuation allowance	(11,460)	(2,236)
Net deferred income tax asset (liability)	<u>\$ —</u>	<u>\$ 6,531</u>

The Company has not provided for foreign withholding taxes on undistributed earnings of its non-U.S. subsidiaries since these earnings are intended to be reinvested indefinitely, in accordance with guidelines contained in ASC Topic 740, *Accounting for Income Taxes*. It is not practical to estimate the amount of additional taxes that might be payable on such undistributed earnings.

The Company routinely evaluates the likelihood of realizing the benefit of its deferred tax assets and may record a valuation allowance if, based on all available evidence, it determines that it is more likely than not some portion of the tax benefit will not be realized. As of December 31, 2018, the Company had an aggregate of approximately \$11.5 million in deferred tax assets primarily related to intangible assets, net operating losses, tax credit carryforwards, and inventory basis differences. On a quarterly basis, the Company tests the value of deferred tax assets for impairment at the taxpaying-component level within each tax jurisdiction. Significant judgment and estimates are required in determining whether valuation allowances should be established as well as the amount of such allowances. When making such determination, consideration is given to, among other things, the following:

- sufficient taxable income within the allowed carryback or carryforward periods;
- future reversals of existing taxable temporary differences, including any tax planning strategies that could be utilized;
- nature or character (e.g., ordinary vs. capital) of the deferred tax assets and liabilities; and
- future taxable income exclusive of reversing temporary differences and carryforwards.

Based on the foregoing criteria, the Company determined that it no longer meets the “more likely than not” threshold that net operating losses, tax credits and other deferred tax assets will be realized. Accordingly, the Company recorded a full valuation allowance at September 30, 2018, and continues to be in a full valuation allowance position at December 31, 2018.

The Company has federal and state net operating loss (“NOL”) carryforwards of approximately \$8.4 million (pre-tax), and Spain NOL carryforwards of approximately \$7.5 million. The majority of the federal NOL carryforward and the Spain NOL carryforward do not expire. The state NOL carryforwards expire over various periods.

Effective July 1, 2007, the Company adopted the accounting standards related to uncertain tax positions. This standard requires that tax positions be assessed using a two-step process. A tax position is recognized if it meets a “more likely than not” threshold, and is measured at the largest amount of benefit that is greater than 50 percent likely of being realized. Uncertain tax positions must be reviewed at each balance sheet date. Liabilities recorded as a result of this analysis must generally be recorded separately from any current or deferred income tax accounts.

The total amount of unrecognized tax benefits at December 31, 2018 and 2017, that would favorably impact our effective tax rate if recognized was \$679 and \$647, respectively. As of December 31, 2018 and 2017, we accrued \$15 and \$14, respectively, in interest and penalties related to unrecognized tax benefits. We account for interest expense and penalties for unrecognized tax benefits as part of our income tax provision.

Although we believe our estimates are reasonable, we can make no assurance that the final tax outcome of these matters will not be different from that which we have reflected in our historical income tax provisions and accruals. Such difference could have a material impact on our income tax provision and operating results in the period in which we make such determination.

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A reconciliation of the beginning and ending amount of liabilities associated with uncertain tax positions is as follows:

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Balance - beginning of year	\$ 652	\$ 1,189
Additions based on tax positions related to the current year	58	67
Additions for tax positions of prior years	118	520
Reductions for tax positions of prior years	(53)	-
Settlements	-	(165)
Lapse in statutes of limitations	(96)	(959)
Uncertain tax positions, ending balance	<u>\$ 679</u>	<u>\$ 652</u>

The Company's U.S. federal income tax returns for 2015 through 2018 are subject to examination. The Company also files in various state and foreign jurisdictions. With few exceptions, the Company is no longer subject to federal, state, or non-U.S. income tax examinations by tax authorities for years prior to 2015. The Company completed its audit by the Internal Revenue Service ("IRS") for its 2012 and 2013 tax returns in 2017. As a result of the audit by the IRS, there were no material adjustments made to the Company's tax return.

The Inland Revenue Department of Hong Kong, a Special Administrative Region (the "IRD"), commenced an examination of the Company's Hong Kong profits tax returns for 2009 through 2011 in the fourth quarter of 2012, which was completed subsequent to December 31, 2017. As a result of the audit, there were no material changes to the Company's financial position. During the next twelve months, it is reasonably possible that the amount of the Company's unrecognized income tax benefits could change significantly. These changes could be the result of our ongoing tax audits or the settlement of outstanding audit issues. However, due to the issues being examined, at the current time, an estimate of the range of reasonably possible outcomes cannot be made, beyond amounts currently accrued.

### 13. Geographic Sales Information

The United States was the only country to contribute more than 10 percent of total revenues in each fiscal year. The Company's revenues are substantially denominated in U.S. dollars and are summarized geographically as follows:

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
United States	\$ 14,783	\$ 24,569
All other countries	13,373	17,235
Total	<u>\$ 28,156</u>	<u>\$ 41,804</u>

# EXHIBIT F

**Certificate of Incorporation  
of ClearOne, Inc.**

The undersigned, for purposes of incorporating a corporation under the General Corporation Law of the State of Delaware (“DGCL”), does hereby certify as follows:

**Article I: Name**

The name of the corporation is ClearOne, Inc. (the “Corporation”)

**Article II: Purpose**

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

**Article III: Capitalization**

(a) *Authorized Shares.* The total number of shares of stock which the Corporation shall have authority to issue is up to an aggregate of fifty million (50,000,000) shares of common stock, par value \$0.001 per share.

(b) *Common Stock.* Common stock is the only class of stock of the Corporation.

**Article IV: Board of Directors**

The number of directors constituting the board of directors shall be not fewer than three (3) and not more than nine (9). The number of directors constituting the board of directors initially shall be four (4). Subject to the previous sentence, the precise number of directors shall be fixed exclusively pursuant to a resolution adopted by the board of directors. Vacancies and newly-created directorships shall be filled exclusively pursuant to a resolution adopted by the board of directors. Any director of the Company’s board of directors or the entire board of directors may be removed at any time, with or without cause, by the holders of at least sixty-six and two-thirds percent (66 2/3%) of the shares entitled to vote at an election of directors.

**Article V: Limitation of Director Liability; Indemnification and Advancement of Expenses**

(a) *Limitation of Director Liability.* To the fullest extent that the DGCL or any other law of the State of Delaware as it exists on the date hereof or as it may hereafter be amended permits the limitation or elimination of the liability of directors, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. No amendment to, or modification or repeal of, this Article VII (a) shall adversely affect any right or protection of a director of the Corporation existing hereunder with respect to any act or omission occurring prior to such amendment, modification or repeal.

(b) *Indemnification and Advancement of Expenses.* The Corporation shall indemnify and advance expenses to, and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (an "Indemnitee") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or an officer of the Corporation or, while a director or an officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Indemnitee. Notwithstanding the preceding sentence, the Corporation shall be required to indemnify, or advance expenses to, an Indemnitee in connection with a proceeding (or part thereof) commenced by such Indemnitee only if the commencement of such proceeding (or part thereof) by the Indemnitee was authorized by the board of directors of the Corporation.

## Article VI: Meetings of Stockholders

(a) *No Action by Written Consent.* Any action required or permitted to be taken by the stockholders of the Corporation may be effected only at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

(b) *Special Meetings of Stockholders.* Subject to the requirements of applicable law, special meetings of stockholders may be called only by the board of directors.

(c) *Election of Directors by Written Ballot.* Election of directors need not be by written ballot.

## Article VII: Registered Office and Agent

The address of the Corporation's registered office in the State of Delaware is 1675 South State St., Suite B, in the City of Dover, Kent County, Delaware 19901. The name of the Corporation's registered agent at such address is Capitol Services, Inc.

## Article VIII: Amendments to the Certificate of Incorporation and Bylaws

(a) *Amendments to the Certificate of Incorporation.* Notwithstanding any other provisions of this certificate of incorporation, and notwithstanding that a lesser percentage may be permitted from time to time by applicable law, no provision of Articles IV, V, or VI may be altered, amended or repealed in any respect (including by merger, consolidation or otherwise), nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least sixty-six and two-thirds percent (66.66%) of the capital stock of the Corporation entitled to vote generally in an election of directors.

(b) *Adoption, Amendment and Repeal of the Bylaws.* In furtherance and not in limitation of the powers conferred by law, the board of directors is expressly authorized to make, alter, amend and repeal the Bylaws of the Corporation subject to the power of the stockholders of the Corporation to alter, amend or repeal the bylaws; provided, however, that with respect to the powers of stockholders to make, alter, amend or repeal the bylaws, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66.66%) of the capital stock of the corporation entitled to vote generally in an election of directors shall be required to make, alter, amend, or repeal the bylaws of the corporation.

#### **Article IX: Incorporator**

*The name and mailing address of the incorporator of the corporation is*

CHS 1.72-CA-01293-MOV-C18 DOCUMENT 40 LHM 10/23/19 1:06 PM 10/23/19 1:06 PM  
Name: Katrina Bennett

Mailing Address: 700 Milam, Suite 1400, Houston, TX 77002.

#### **Article X: Choice of Forum**

Unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim for breach of a fiduciary duty owed by any director, officer, employee or agent of the Company to the Company or the Company's shareholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, the Certificate of Incorporation or the Bylaws or (iv) any action asserting a claim governed by the internal affairs doctrine, in each case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein.

IN WITNESS WHEREOF, the undersigned incorporator has executed this Certificate of Incorporation this 25th day of October, 2018.

/s/ Katrina Benett

Incorporator

Name: Katrina Bennett

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# EXHIBIT G



**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

SHURE INCORPORATED, and )  
SHURE ACQUISITION HOLDINGS, INC. )

Plaintiffs, )

v. )

CLEARONE, INC., )

Defendant. )  
\_\_\_\_\_

C.A. NO. 19-1343 (RGA) (CJB)

**JURY TRIAL DEMANDED**

**DECLARATION OF JAMES SCHANZ**



I, James Schanz, declare and state as follows:

1. I am currently an employee of Shure, Inc. ("Shure"), and my job title is VP of Sales, Integrated Systems.

2. I have been an employee of Shure since November 2005. Prior to that, I was also employed by Shure between February 1998 and February 2002.

3. I have been provided a copy of Shure's Amended Complaint, which I understand to be dated September 9, 2019. I have read the Amended Complaint.

4. At the time of this declaration, I understand that ClearOne has made the types of representations referenced in paragraph 20 of Shure's Amended Complaint to at least the following companies at the following locations:

Company	Location
[REDACTED]	TX
[REDACTED]	TX
[REDACTED]	OH
[REDACTED]	IL
[REDACTED]	PA
[REDACTED]	NC
[REDACTED]	NC
[REDACTED]	MD
[REDACTED]	TX

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: October 14, 2019

Respectfully submitted,

A handwritten signature in black ink, appearing to read "J. Schanz", written in a cursive style.

---

James Schanz

# EXHIBIT H

## United States District Courts — National Judicial Caseload Profile

			12-Month Periods Ending					
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019
<b>Overall Caseload Statistics</b>	Filings <sup>1</sup>		398,462	374,791	388,042	367,157	387,190	405,236
	Terminations		364,233	369,842	352,704	393,885	345,155	429,308
	Pending		420,947	423,680	456,879	428,864	488,658	461,481
	Percent Change in Total Filings Current Year Over Earlier Year		1.7	8.1	4.4	10.4	4.7	
	Number of Judgeships		677	677	677	677	677	677
	Vacant Judgeship Months <sup>2</sup>		855.7	508.0	701.5	1,115.1	1,523.6	1,558.7
<b>Actions per Judgeship</b>	<b>Filings</b>	Total	589	554	573	542	572	599
		Civil	441	414	429	401	415	434
		Criminal Felony	110	104	107	101	116	125
		Supervised Release Hearings	37	36	37	40	41	40
	Pending Cases <sup>2</sup>		622	626	675	633	722	682
	Weighted Filings <sup>2</sup>		510	482	492	475	507	528
	Terminations		538	546	521	582	510	634
	Trials Completed		18	17	17	17	16	17
<b>Median Times (Months)</b>	From Filing to Disposition	Criminal Felony	7.4	7.5	7.4	7.7	7.2	7.0
		Civil <sup>2</sup>	8.4	8.8	8.5	10.4	7.8	12.2
	From Filing to Trial <sup>2</sup> (Civil Only)		26.8	26.5	27.1	26.6	26.9	27.2
<b>Other</b>	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		30,208 9.0	30,432 8.9	53,003 14.3	59,375 17.2	90,864 22.9	58,659 16.1
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.3	1.3	1.3	1.2
	Jurors	Avg. Present for Jury Selection	50.8	48.2	48.4	49.4	52.0	52.3
		Percent Not Selected or Challenged	37.8	36.3	38.1	37.5	37.3	38.1

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Total Civil	293,520	Total Criminal <sup>1</sup>	84,225
A-Social Security	17,903	A-Marijuana	1,671
B-Personal Injury/Product Liability	53,456	B-All Other Drugs	22,425
C-Prisoner Petitions	54,445	C-Immigration	29,818
D-Forfeitures and Penalties	1,148	D-Firearms and Explosives	12,406
E-Real Property	6,966	E-Fraud	7,123
F-Labor Suits	16,840	F-Violent Offenses	2,652
G-Contracts	25,216	G-Sex Offenses	3,200
H-Torts (other than Personal Injury/Product Liability)	27,633	H-Forgery and Counterfeiting	338
I-Copyright, Patent, and Trademark	13,185	I-Larceny and Theft	1,094
J-Civil Rights	43,223	J-Justice System Offenses	820
K-Antitrust	537	K-Regulatory Offenses	864
L-All Other Civil	32,968	L-All Other Criminal	1,814

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, whereas filings "by nature of offense" do not.

<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,747	2,554	3,134	3,071	3,678	4,206	U.S.	Circuit
	Terminations		2,639	2,620	2,636	2,841	3,056	3,678		
	Pending		3,365	3,276	3,767	3,985	4,581	5,091		
	Percent Change in Total Filings Current Year Over Earlier Year		53.1	64.7	34.2	37.0	14.4			
Number of Judgeships			15	15	15	15	15	15	16	-
Vacant Judgeship Months <sup>2</sup>			38.7	13.4	13.8	53.9	23.0	10.7		
Actions per Judgeship	Filings	Total	183	170	209	205	245	280	87	-
		Civil	148	146	181	168	209	240	68	-
		Criminal Felony	28	15	20	21	28	30	92	-
		Supervised Release Hearings	8	9	8	16	8	11	83	-
	Pending Cases <sup>2</sup>		224	218	251	266	305	339	79	-
	Weighted Filings <sup>2</sup>		198	177	227	213	269	279	85	-
	Terminations		176	175	176	189	204	245	88	-
	Trials Completed		6	7	6	7	6	9	81	-
	Median Time (Months)	From Filing to Disposition	Criminal Felony	12.0	11.9	17.1	11.0	12.9	9.5	42
Civil <sup>2</sup>			7.6	8.2	8.0	6.9	6.0	5.6	6	-
From Filing to Trial <sup>2</sup> (Civil Only)		39.8	45.1	40.2	46.0	46.1	48.7	62	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		389 16.0	368 15.1	369 12.5	393 12.5	438 12.3	663 16.5	81	-
	Average Number of Felony Defendants Filed per Case		1.5	1.3	1.4	1.3	1.4	1.2		
	Jurors	Avg. Present for Jury Selection	71.5	49.1	55.1	64.8	73.4	103.3		
		Percent Not Selected or Challenged	47.5	42.8	47.7	52.2	54.4	60.5		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,596	49	599	308	14	28	114	220	202	49	559	20	1,434
Criminal <sup>1</sup>	451	2	75	6	139	70	22	12	5	2	51	7	60

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

MAINE

MAINE			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		768	844	921	847	788	919	U.S.	Circuit
	Terminations		721	862	868	866	814	768		
	Pending		630	608	657	640	617	769	13	3
	Percent Change in Total Filings Current Year Over Earlier Year		19.7	8.9	-0.2	8.5	16.6			
Number of Judgeships			3	3	3	3	3	3	83	4
Vacant Judgeship Months <sup>2</sup>			9.0	0.0	0.0	0.0	12.0	3.3		
Actions per Judgeship	Filings	Total	256	281	307	282	263	306	84	5
		Civil	166	180	217	180	172	185	46	2
		Criminal Felony	68	70	62	64	59	96	60	2
		Supervised Release Hearings	22	32	29	38	32	26		
	Pending Cases <sup>2</sup>		210	203	219	213	206	256	89	5
	Weighted Filings <sup>2</sup>		245	277	277	254	237	301	82	4
	Terminations		240	287	289	289	271	256	86	5
	Trials Completed		21	17	17	22	20	21	30	1
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.3	9.8	9.4	11.2	9.3	9.7	48
Civil <sup>2</sup>			8.2	7.5	6.3	6.9	7.9	7.5	20	1
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	19.3	-	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		6 1.4	8 2.0	7 1.5	8 1.7	17 3.9	23 4.9	22	2
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.2	1.2	1.2	1.2		
	Jurors	Avg. Present for Jury Selection	52.5	45.6	40.7	32.5	37.7	51.4		
		Percent Not Selected or Challenged	20.6	22.4	28.2	21.8	22.7	28.6		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	554	86	42	49	4	135	24	40	35	8	89	2	40
Criminal <sup>1</sup>	287	11	133	12	39	33	14	20	4	4	2	5	10

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## MASSACHUSETTS

MASSACHUSETTS			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		5,682	6,006	4,290	3,697	3,964	4,099	U.S.	Circuit		
	Terminations		3,597	3,905	3,894	4,706	5,037	6,004				
	Pending		6,349	8,444	8,824	7,813	6,725	4,853				
	Percent Change in Total Filings Current Year Over Earlier Year		-27.9	-31.8	-4.5	10.9	3.4					
Number of Judgeships			13	13	13	13	13	13	43	5		
Vacant Judgeship Months <sup>2</sup>			32.7	13.0	12.0	0.0	17.9	24.0				
Actions per Judgeship	Filings	Total	437	462	330	284	305	315			81	3
		Civil	385	405	249	224	244	242			65	2
		Criminal Felony	32	35	54	40	37	51	82	5		
		Supervised Release Hearings	20	22	26	20	23	22	66	4		
	Pending Cases <sup>2</sup>		488	650	679	601	517	373	69	3		
	Weighted Filings <sup>2</sup>		357	352	301	283	301	308	79	3		
	Terminations		277	300	300	362	387	462	52	1		
	Trials Completed		10	13	10	11	12	12	66	2		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	16.2	15.6	14.2	12.9	14.0	12.9	75	4	
Civil <sup>2</sup>			9.2	10.0	10.4	16.8	19.4	27.2	92	5		
From Filing to Trial <sup>2</sup> (Civil Only)		27.9	26.6	30.4	30.1	34.8	30.7	41	1			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		273 4.9	284 3.6	449 5.6	1,627 23.3	2,266 37.7	548 13.7	70	5		
	Average Number of Felony Defendants Filed per Case		1.3	1.4	1.6	1.5	1.2	1.3				
	Jurors	Avg. Present for Jury Selection	65.0	81.3	51.9	74.1	87.7	59.7				
		Percent Not Selected or Challenged	37.4	39.8	31.9	38.0	45.1	36.4				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,149	93	648	362	6	133	298	354	257	133	447	3	415
Criminal <sup>1</sup>	653	2	220	42	67	168	21	35	1	13	12	9	63

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NEW HAMPSHIRE

NEW HAMPSHIRE			12-Month Periods Ending					
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019
Overall Caseload Statistics	Filings <sup>1</sup>		746	805	875	822	1,350	1,661
	Terminations		783	815	788	758	786	792
	Pending		607	606	699	760	1,327	2,207
	Percent Change in Total Filings Current Year Over Earlier Year		122.7	106.3	89.8	102.1	23.0	
	Number of Judgeships		3	3	3	3	3	3
Vacant Judgeship Months <sup>2</sup>			5.4	0.0	0.0	0.0	0.0	0.0
Actions per Judgeship	Filings	Total	249	268	292	274	450	554
		Civil	172	175	186	175	351	437
		Criminal Felony	56	65	80	76	78	93
		Supervised Release Hearings	21	28	25	23	20	23
	Pending Cases <sup>2</sup>		202	202	233	253	442	736
	Weighted Filings <sup>2</sup>		220	245	256	251	386	478
	Terminations		261	272	263	253	262	264
	Trials Completed		16	10	11	12	11	9
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.1	7.6	7.2	9.9	10.1
Civil <sup>2</sup>			8.9	8.2	8.4	8.8	10.0	10.4
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		13 2.7	29 6.3	22 4.4	23 4.2	34 3.1	39 2.0
	Average Number of Felony Defendants Filed per Case		1.2	1.2	1.1	1.3	1.4	1.2
	Jurors	Avg. Present for Jury Selection	53.3	45.3	59.8	55.0	60.5	54.6
		Percent Not Selected or Challenged	33.8	24.1	41.6	24.2	41.3	35.1

Numerical  
Standing  
Within

U.S.	Circuit
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6	1
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28	1
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24	1
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48	3
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65	3
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18	1
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38	1
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85	4
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81	4
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37	1
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67	3
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-	-
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3	1
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## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,311	45	825	131	5	22	17	40	58	12	101	-	55
Criminal <sup>1</sup>	278	3	161	26	30	25	9	8	-	2	3	3	8

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## RHODE ISLAND

RHODE ISLAND			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		956	685	835	757	846	886	U.S.	Circuit		
	Terminations		2,151	1,580	831	814	795	830				
	Pending		1,783	896	884	826	881	939				
	Percent Change in Total Filings Current Year Over Earlier Year		-7.3	29.3	6.1	17.0	4.7					
Number of Judgeships			3	3	3	3	3	3	40	4		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	9.0	12.0	12.0	12.0				
Actions per Judgeship	Filings	Total	319	228	278	252	282	295			86	5
		Civil	244	180	220	204	216	226			74	3
		Criminal Felony	64	36	45	37	50	52	80	4		
		Supervised Release Hearings	11	12	13	11	16	17	78	5		
	Pending Cases <sup>2</sup>		594	299	295	275	294	313	82	4		
	Weighted Filings <sup>2</sup>		285	218	253	239	277	294	83	5		
	Terminations		717	527	277	271	265	277	84	3		
	Trials Completed		7	9	6	7	3	5	93	5		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.9	9.6	8.1	10.4	8.5	10.5	60	3	
Civil <sup>2</sup>			25.2	25.5	14.4	10.5	8.6	8.5	33	2		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		647 39.8	187 24.0	65 8.6	57 8.2	77 10.9	74 9.7	56	3		
	Average Number of Felony Defendants Filed per Case		1.2	1.2	1.2	1.3	1.1	1.3				
	Jurors	Avg. Present for Jury Selection	100.6	69.1	44.2	48.1	51.3	66.3				
		Percent Not Selected or Challenged	65.9	43.6	38.5	37.2	32.5	45.3				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	679	46	67	51	14	42	58	103	71	11	151	-	65
Criminal <sup>1</sup>	154	1	53	15	17	38	2	15	2	5	1	1	4

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## PUERTO RICO

PUERTO RICO			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		3,118	2,749	4,183	3,478	2,342	2,862	U.S.	Circuit
	Terminations		2,961	2,786	3,282	3,252	2,411	3,035		
	Pending		3,566	3,522	4,453	4,700	4,582	4,472		
	Percent Change in Total Filings Current Year Over Earlier Year		-8.2	4.1	-31.6	-17.7	22.2			
Number of Judgeships			7	7	7	7	7	7	7	2
Vacant Judgeship Months <sup>2</sup>			8.1	0.0	1.0	12.0	12.0	21.0		
Actions per Judgeship	Filings	Total	445	393	598	497	335	409	66	2
		Civil	137	185	370	263	133	189	83	4
		Criminal Felony	285	182	204	196	172	175	13	1
		Supervised Release Hearings	23	26	24	38	29	45	34	1
	Pending Cases <sup>2</sup>		509	503	636	671	655	639	25	2
	Weighted Filings <sup>2</sup>		541	423	543	457	341	366	66	2
	Terminations		423	398	469	465	344	434	65	2
	Trials Completed		14	11	12	14	10	10	76	3
	Median Time (Months)	From Filing to Disposition	Criminal Felony	11.3	12.6	13.6	14.4	16.9	18.9	91
Civil <sup>2</sup>			13.2	12.1	6.0	10.0	14.7	18.4	91	4
From Filing to Trial <sup>2</sup> (Civil Only)		22.0	27.3	-	-	-	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		105 8.0	106 6.5	102 4.1	117 4.6	156 7.4	202 10.3	60	4
	Average Number of Felony Defendants Filed per Case		2.2	1.7	2.0	1.8	1.8	1.6		
	Jurors	Avg. Present for Jury Selection	128.4	81.4	69.1	75.2	80.1	76.0		
		Percent Not Selected or Challenged	65.4	48.0	45.2	41.3	41.0	42.7		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,320	266	11	86	43	409	50	122	172	17	91	5	48
Criminal <sup>1</sup>	1,227	27	359	167	448	65	68	37	-	11	5	26	14

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## CONNECTICUT

CONNECTICUT			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,491	2,575	2,658	2,750	2,887	2,912	U.S.	Circuit
	Terminations		2,540	2,605	2,584	2,778	2,881	2,943		
	Pending		3,070	3,027	3,106	3,088	3,085	3,048		
	Percent Change in Total Filings Current Year Over Earlier Year		16.9	13.1	9.6	5.9	0.9			
Number of Judgeships			8	8	8	8	8	8	53	5
Vacant Judgeship Months <sup>2</sup>			7.8	4.7	0.0	5.9	12.0	12.2		
Actions per Judgeship	Filings	Total	311	322	332	344	361	364	75	5
		Civil	253	267	263	277	284	271	60	5
		Criminal Felony	42	35	45	43	53	68	68	4
		Supervised Release Hearings	16	19	24	23	24	26	60	6
	Pending Cases <sup>2</sup>		384	378	388	386	386	381	65	5
	Weighted Filings <sup>2</sup>		313	304	309	326	356	365	67	5
	Terminations		318	326	323	347	360	368	74	5
	Trials Completed		15	16	16	14	15	12	66	4
	Median Time (Months)	From Filing to Disposition	Criminal Felony	13.4	16.3	16.8	14.0	11.9	12.5	74
Civil <sup>2</sup>			9.7	9.9	10.6	9.7	10.2	9.4	49	3
From Filing to Trial <sup>2</sup> (Civil Only)		39.2	41.5	38.7	35.1	37.9	30.6	40	2	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		238 9.9	209 8.5	161 6.4	168 6.7	142 5.8	120 5.4	29	1
	Average Number of Felony Defendants Filed per Case		1.7	1.4	1.7	1.5	1.7	1.6		
	Jurors	Avg. Present for Jury Selection	59.5	62.1	50.6	61.2	62.4	67.4		
		Percent Not Selected or Challenged	10.8	14.8	19.1	20.7	15.4	28.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,164	233	42	421	16	25	114	234	185	192	438	3	261
Criminal <sup>1</sup>	542	-	273	21	103	86	18	17	-	5	3	4	12

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NEW YORK NORTHERN

NEW YORK NORTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,426	2,426	2,345	2,202	2,289	2,322	U.S.	Circuit
	Terminations		2,660	2,555	2,330	2,386	2,396	2,289		
	Pending		2,837	2,711	2,734	2,552	2,487	2,536		
	Percent Change in Total Filings Current Year Over Earlier Year		-4.3	-4.3	-1.0	5.4	1.4			
Number of Judgeships			5	5	5	5	5	5	52	4
Vacant Judgeship Months <sup>2</sup>			12.0	4.7	5.9	12.0	12.0	12.0		
Actions per Judgeship	Filings	Total	485	485	469	440	458	464	53	4
		Civil	362	379	354	340	340	348	40	4
		Criminal Felony	77	62	72	60	77	83	55	3
		Supervised Release Hearings	46	45	43	40	41	33	49	3
	Pending Cases <sup>2</sup>		567	542	547	510	497	507	41	4
	Weighted Filings <sup>2</sup>		378	363	366	328	339	372	64	4
	Terminations		532	511	466	477	479	458	56	4
	Trials Completed		22	17	15	17	15	11	72	5
	Median Time (Months)	From Filing to Disposition	Criminal Felony	12.8	12.4	12.5	10.9	12.3	10.4	57
Civil <sup>2</sup>			10.5	11.0	12.1	11.1	9.8	10.1	62	5
From Filing to Trial <sup>2</sup> (Civil Only)		36.5	41.2	43.0	42.6	43.7	40.7	58	3	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		173 8.4	172 8.4	156 7.7	167 8.9	183 10.2	175 9.6	54	2
	Average Number of Felony Defendants Filed per Case		1.2	1.1	1.3	1.3	1.2	1.3		
	Jurors	Avg. Present for Jury Selection	31.9	32.8	34.0	29.3	31.3	30.8		
		Percent Not Selected or Challenged	21.1	24.1	18.4	14.3	17.4	18.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,742	310	68	543	21	24	56	87	102	101	315	1	114
Criminal <sup>1</sup>	414	2	131	143	23	38	2	45	-	3	-	-	27

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NEW YORK EASTERN

NEW YORK EASTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		9,141	8,681	8,805	8,799	8,938	8,759	U.S.	Circuit
	Terminations		7,843	8,738	8,545	8,575	9,423	8,917		
	Pending		12,854	12,649	12,852	13,020	12,563	12,230		
	Percent Change in Total Filings Current Year Over Earlier Year		-4.2	0.9	-0.5	-0.5	-2.0			
Number of Judgeships			15	15	15	15	15	15	66	6
Vacant Judgeship Months <sup>2</sup>			5.5	28.1	23.9	35.0	48.0	49.7		
Actions per Judgeship	Filings	Total	609	579	587	587	596	584	25	2
		Civil	530	500	501	505	505	504	17	2
		Criminal Felony	54	49	57	49	51	50	84	5
		Supervised Release Hearings	26	29	29	33	39	30	54	4
	Pending Cases <sup>2</sup>		857	843	857	868	838	815	12	2
	Weighted Filings <sup>2</sup>		602	562	547	521	543	549	25	3
	Terminations		523	583	570	572	628	594	22	2
	Trials Completed		17	17	15	17	15	10	76	6
	Median Time (Months)	From Filing to Disposition	Criminal Felony	22.3	21.9	23.2	19.7	21.6	21.1	93
Civil <sup>2</sup>			8.6	9.6	9.0	9.5	8.1	8.7	40	2
From Filing to Trial <sup>2</sup> (Civil Only)		32.4	31.4	36.2	34.5	33.5	43.9	60	4	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		1,236 12.6	1,224 12.5	1,772 17.6	1,942 18.9	1,761 18.0	1,656 17.7	82	5
	Average Number of Felony Defendants Filed per Case		1.4	1.3	1.4	1.4	1.4	1.3		
	Jurors	Avg. Present for Jury Selection	116.4	113.5	112.8	99.6	125.7	143.7		
		Percent Not Selected or Challenged	39.4	38.2	49.9	51.1	45.3	41.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	7,557	420	206	507	11	233	1,102	430	697	542	1,459	15	1,935
Criminal <sup>1</sup>	750	5	206	92	107	139	57	32	18	8	21	19	46

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NEW YORK SOUTHERN

NEW YORK SOUTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		12,179	13,013	13,074	12,526	13,727	15,085	U.S.	Circuit
	Terminations		12,263	13,703	12,731	13,252	12,578	14,485		
	Pending		18,545	18,069	18,341	17,030	18,152	18,709	26	2
	Percent Change in Total Filings Current Year Over Earlier Year		23.9	15.9	15.4	20.4	9.9			
Number of Judgeships			28	28	28	28	28	28		
Vacant Judgeship Months <sup>2</sup>			8.7	0.0	11.0	16.0	38.8	66.2		
Actions per Judgeship	Filings	Total	435	465	467	447	490	539	36	3
		Civil	362	401	382	364	414	462	19	3
		Criminal Felony	49	43	58	52	49	47	86	6
		Supervised Release Hearings	23	21	27	31	28	29	55	5
	Pending Cases <sup>2</sup>		662	645	655	608	648	668	21	3
	Weighted Filings <sup>2</sup>		427	442	471	457	512	587	23	2
	Terminations		438	489	455	473	449	517	38	3
	Trials Completed		16	14	14	15	14	16	48	2
	Median Time (Months)	From Filing to Disposition	Criminal Felony	15.1	16.3	14.5	13.1	14.3	14.1	82
Civil <sup>2</sup>			8.1	8.9	7.9	8.4	6.4	6.5	12	1
From Filing to Trial <sup>2</sup> (Civil Only)		32.1	30.0	25.1	31.4	31.4	30.4	39	1	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		3,454 25.4	2,716 20.0	2,397 17.6	2,265 18.8	2,493 18.8	2,927 20.9	86	6
	Average Number of Felony Defendants Filed per Case		1.7	1.7	2.0	2.2	2.0	1.7		
	Jurors	Avg. Present for Jury Selection	87.5	75.8	73.1	68.7	75.7	74.8		
		Percent Not Selected or Challenged	56.1	55.1	55.7	48.6	51.6	52.8		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	12,948	530	729	1,159	26	88	1,244	1,149	1,096	1,390	3,768	49	1,720
Criminal <sup>1</sup>	1,317	1	514	52	171	363	44	56	7	19	18	18	54

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NEW YORK WESTERN

NEW YORK WESTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,846	3,072	2,857	2,876	3,529	3,812	U.S.	Circuit
	Terminations		2,953	2,863	2,947	2,895	2,974	3,674		
	Pending		3,576	3,784	3,686	3,655	4,205	4,334		
	Percent Change in Total Filings Current Year Over Earlier Year		33.9	24.1	33.4	32.5	8.0			
Number of Judgeships			4	4	4	4	4	4	35	3
Vacant Judgeship Months <sup>2</sup>			5.4	9.6	15.8	12.0	12.0	12.0		
Actions per Judgeship	Filings	Total	712	768	714	719	882	953	7	1
		Civil	455	498	464	490	626	670	6	1
		Criminal Felony	110	129	98	95	114	118	27	1
		Supervised Release Hearings	147	142	153	135	143	165	1	1
	Pending Cases <sup>2</sup>		894	946	922	914	1,051	1,084	10	1
	Weighted Filings <sup>2</sup>		479	530	480	470	569	629	16	1
	Terminations		738	716	737	724	744	919	5	1
	Trials Completed		13	10	10	14	14	15	58	3
	Median Time (Months)	From Filing to Disposition	Criminal Felony	16.4	13.7	16.4	18.1	12.4	14.5	83
Civil <sup>2</sup>			10.2	10.6	11.6	12.4	11.3	15.0	89	6
From Filing to Trial <sup>2</sup> (Civil Only)		57.9	79.7	54.6	60.9	62.2	61.2	63	5	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		360 14.6	380 14.3	392 14.7	383 13.9	461 13.7	439 12.3	66	4
	Average Number of Felony Defendants Filed per Case		1.2	1.4	1.3	1.1	1.2	1.2		
	Jurors	Avg. Present for Jury Selection	65.2	56.3	72.6	69.7	93.2	65.7		
		Percent Not Selected or Challenged	42.0	40.5	41.9	38.9	47.3	46.1		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,680	1,167	96	525	39	36	45	94	111	139	228	6	194
Criminal <sup>1</sup>	471	2	192	69	58	55	12	55	-	4	10	5	9

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## VERMONT

VERMONT			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		548	552	604	556	489	554	U.S.	Circuit		
	Terminations		559	525	549	633	473	511				
	Pending		559	584	640	557	554	593				
	Percent Change in Total Filings Current Year Over Earlier Year		1.1	0.4	-8.3	-0.4	13.3					
Number of Judgeships			2	2	2	2	2	2	19	1		
Vacant Judgeship Months <sup>2</sup>			0.3	0.0	0.0	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	274	276	302	278	245	277			88	6
		Civil	137	149	152	134	124	122			90	6
		Criminal Felony	114	96	108	99	79	108	33	2		
		Supervised Release Hearings	24	32	42	46	42	48	27	2		
	Pending Cases <sup>2</sup>		280	292	320	279	277	297	86	6		
	Weighted Filings <sup>2</sup>		283	267	289	260	211	271	87	6		
	Terminations		280	263	275	317	237	256	86	6		
	Trials Completed		27	19	21	26	23	23	22	1		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	10.9	11.7	10.7	11.0	14.0	12.9	75	3	
Civil <sup>2</sup>			9.8	10.9	8.9	11.0	9.7	10.0	59	4		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		26 9.4	25 8.1	26 7.5	29 10.3	35 11.9	38 12.0	65	3		
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.3	1.4	1.2	1.3				
	Jurors	Avg. Present for Jury Selection	42.4	48.0	76.4	102.6	44.9	122.8				
		Percent Not Selected or Challenged	43.4	29.5	49.0	75.5	39.1	76.7				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	244	47	8	24	5	12	4	26	37	5	40	-	36
Criminal <sup>1</sup>	215	4	116	18	33	12	3	15	2	4	5	-	3

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## DELAWARE

DELAWARE			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,025	1,522	1,466	1,867	2,174	2,551	U.S.	Circuit
	Terminations		2,220	2,143	1,697	1,611	2,037	2,244		
	Pending		2,709	2,090	1,856	2,112	2,250	2,558		
	Percent Change in Total Filings Current Year Over Earlier Year		26.0	67.6	74.0	36.6	17.3			
Number of Judgeships			4	4	4	4	4	4	12	2
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	6.8	24.0	2.0		
Actions per Judgeship	Filings	Total	506	381	367	467	544	638	19	2
		Civil	471	358	334	441	518	600	10	2
		Criminal Felony	29	15	27	20	21	31	91	6
		Supervised Release Hearings	7	8	6	5	5	7	88	5
	Pending Cases <sup>2</sup>		677	523	464	528	563	640	24	3
	Weighted Filings <sup>2</sup>		921	604	526	652	870	1,093	3	1
	Terminations		555	536	424	403	509	561	26	2
	Trials Completed		19	20	13	15	13	16	48	4
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.7	12.0	12.9	12.0	12.0	9.7	48
Civil <sup>2</sup>			8.6	10.8	12.5	8.2	5.4	5.4	5	2
From Filing to Trial <sup>2</sup> (Civil Only)		28.5	34.1	24.2	25.7	26.5	32.5	43	2	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		277 11.0	287 14.8	223 13.3	228 11.7	204 9.9	230 9.6	54	3
	Average Number of Felony Defendants Filed per Case		1.6	1.3	1.4	1.2	1.2	1.1		
	Jurors	Avg. Present for Jury Selection	43.2	61.8	44.0	51.2	98.9	43.2		
		Percent Not Selected or Challenged	29.7	42.8	30.1	38.6	47.6	24.2		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,400	21	39	188	4	5	18	128	53	1,069	117	9	749
Criminal <sup>1</sup>	124	1	30	41	20	7	9	4	-	2	7	1	2

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NEW JERSEY

NEW JERSEY			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		9,880	10,435	9,609	13,140	22,554	25,179	U.S.	Circuit
	Terminations		9,238	9,684	9,641	11,187	10,227	14,108		
	Pending		9,260	10,041	9,960	11,911	24,750	35,832	20	3
	Percent Change in Total Filings Current Year Over Earlier Year		154.8	141.3	162.0	91.6	11.6			
Number of Judgeships			17	17	17	17	17	17	2	1
Vacant Judgeship Months <sup>2</sup>			4.9	17.9	42.9	49.0	36.5	57.3		
Actions per Judgeship	Filings	Total	581	614	565	773	1,327	1,481	2	1
		Civil	524	565	522	734	1,280	1,422	2	1
		Criminal Felony	46	38	31	27	36	48	85	4
		Supervised Release Hearings	12	11	12	13	10	11	83	4
	Pending Cases <sup>2</sup>		545	591	586	701	1,456	2,108	2	1
	Weighted Filings <sup>2</sup>		561	607	511	571	987	1,031	4	2
	Terminations		543	570	567	658	602	830	6	1
	Trials Completed		8	8	12	8	6	8	86	5
	Median Time (Months)	From Filing to Disposition	Criminal Felony	11.7	10.6	13.8	13.3	8.8	8.2	30
Civil <sup>2</sup>			7.7	7.8	8.0	7.1	7.5	5.0	3	1
From Filing to Trial <sup>2</sup> (Civil Only)		37.5	41.5	47.8	35.8	54.4	47.9	61	5	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		455 5.5	565 6.2	562 6.2	663 5.9	1,199 5.0	1,026 2.9	8	1
	Average Number of Felony Defendants Filed per Case		1.2	1.1	1.1	1.1	1.1	1.1		
	Jurors	Avg. Present for Jury Selection	79.2	56.0	77.1	89.9	126.8	104.8		
		Percent Not Selected or Challenged	33.6	42.5	38.3	38.8	39.7	37.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	24,176	387	16,017	1,220	12	117	693	871	1,061	699	1,359	24	1,716
Criminal <sup>1</sup>	810	8	266	76	136	197	36	26	2	11	5	16	31

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## PENNSYLVANIA EASTERN

PENNSYLVANIA EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		12,080	10,596	9,527	8,522	7,549	8,069	U.S.	Circuit		
	Terminations		12,198	13,333	9,953	8,910	8,010	7,500				
	Pending		11,326	8,592	8,140	7,738	7,284	7,891				
	Percent Change in Total Filings Current Year Over Earlier Year		-33.2	-23.8	-15.3	-5.3	6.9					
Number of Judgeships			22	22	22	22	22	22	38	4		
Vacant Judgeship Months <sup>2</sup>			66.8	41.5	29.6	38.9	57.0	67.9				
Actions per Judgeship	Filings	Total	549	482	433	387	343	367			73	4
		Civil	501	431	389	342	300	320			47	4
		Criminal Felony	32	33	29	30	28	35	90	5		
		Supervised Release Hearings	16	18	15	15	15	12	82	3		
	Pending Cases <sup>2</sup>		515	391	370	352	331	359	75	5		
	Weighted Filings <sup>2</sup>		371	351	321	318	301	309	78	4		
	Terminations		554	606	452	405	364	341	78	4		
	Trials Completed		12	13	11	9	9	7	88	6		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	16.1	14.5	14.1	15.3	13.7	16.3	89	6	
Civil <sup>2</sup>			4.0	5.5	5.5	5.3	6.0	5.8	7	3		
From Filing to Trial <sup>2</sup> (Civil Only)		21.6	24.5	18.6	21.3	19.2	21.5	12	1			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		2,269 23.0	1,331 18.6	1,441 21.4	1,401 22.1	1,042 17.4	1,532 23.6	88	5		
	Average Number of Felony Defendants Filed per Case		1.3	1.4	1.3	1.3	1.2	1.3				
	Jurors	Avg. Present for Jury Selection	76.8	61.3	70.0	61.8	62.2	59.6				
		Percent Not Selected or Challenged	42.1	30.2	41.1	44.6	45.3	42.3				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	7,046	374	955	1,005	3	65	462	797	746	260	1,525	28	826
Criminal <sup>1</sup>	766	-	274	69	97	141	52	66	9	16	6	15	21

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## PENNSYLVANIA MIDDLE

PENNSYLVANIA MIDDLE			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		3,221	3,126	3,319	3,001	3,306	2,939	U.S.	Circuit
	Terminations		3,609	3,169	2,928	2,915	3,040	3,161		
	Pending		3,386	3,310	3,696	3,771	4,041	3,818		
	Percent Change in Total Filings Current Year Over Earlier Year		-8.8	-6.0	-11.4	-2.1	-11.1			
Number of Judgeships			6	6	6	6	6	6	87	6
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	0.0	8.6		
Actions per Judgeship	Filings	Total	537	521	553	500	551	490	48	3
		Civil	443	436	444	402	442	388	33	3
		Criminal Felony	75	70	94	82	91	81	59	1
		Supervised Release Hearings	19	16	16	16	19	22	66	1
	Pending Cases <sup>2</sup>		564	552	616	629	674	636	26	4
	Weighted Filings <sup>2</sup>		470	458	496	458	484	432	47	3
	Terminations		602	528	488	486	507	527	33	3
	Trials Completed		26	22	21	23	31	22	27	2
	Median Time (Months)	From Filing to Disposition	Criminal Felony	12.4	11.9	12.5	12.7	14.6	15.1	85
Civil <sup>2</sup>			9.3	9.6	9.0	9.3	10.1	10.3	65	5
From Filing to Trial <sup>2</sup> (Civil Only)		28.2	33.2	28.8	36.7	34.4	36.1	51	4	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		157 6.0	193 7.4	237 8.6	250 9.2	242 8.3	280 10.2	59	4
	Average Number of Felony Defendants Filed per Case		1.4	1.4	1.7	1.4	1.4	1.2		
	Jurors	Avg. Present for Jury Selection	20.9	34.2	47.3	63.8	47.1	46.1		
		Percent Not Selected or Challenged	34.6	31.9	38.7	50.9	33.8	36.9		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,326	195	64	845	2	56	106	148	196	54	498	8	154
Criminal <sup>1</sup>	483	4	175	111	57	47	22	24	2	3	12	4	22

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## PENNSYLVANIA WESTERN

PENNSYLVANIA WESTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		3,336	3,307	3,286	3,241	3,327	3,441	U.S.	Circuit		
	Terminations		3,409	3,403	3,056	3,330	3,148	3,350				
	Pending		2,704	2,616	2,842	2,745	2,920	3,003				
	Percent Change in Total Filings Current Year Over Earlier Year		3.1	4.1	4.7	6.2	3.4					
Number of Judgeships			10	10	10	10	10	10	43	5		
Vacant Judgeship Months <sup>2</sup>			31.4	36.0	36.9	48.0	61.0	59.4				
Actions per Judgeship	Filings	Total	334	331	329	324	333	344			80	5
		Civil	266	259	272	264	256	264			62	5
		Criminal Felony	54	57	43	46	59	64			70	2
		Supervised Release Hearings	14	15	14	13	18	16			79	2
	Pending Cases <sup>2</sup>		270	262	284	275	292	300			84	6
	Weighted Filings <sup>2</sup>		294	303	281	296	310	308	79	5		
	Terminations		341	340	306	333	315	335	80	5		
	Trials Completed		21	20	22	16	20	21	30	3		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	12.5	14.8	12.7	15.5	16.0	15.1	85	4	
Civil <sup>2</sup>			7.3	6.7	6.3	6.1	5.8	6.7	14	4		
From Filing to Trial <sup>2</sup> (Civil Only)		26.8	35.1	31.4	31.5	32.6	32.6	44	3			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		78 4.0	80 4.3	75 3.6	72 3.6	70 3.4	91 4.7	20	2		
	Average Number of Felony Defendants Filed per Case		1.5	1.8	1.3	1.3	1.5	1.5				
	Jurors	Avg. Present for Jury Selection	54.9	49.8	48.3	48.8	43.0	62.8				
		Percent Not Selected or Challenged	43.6	36.8	36.8	39.8	34.8	46.5				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,640	172	61	900	12	49	198	228	159	51	582	32	196
Criminal <sup>1</sup>	637	2	303	14	75	109	27	34	5	33	4	3	28

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## VIRGIN ISLANDS

VIRGIN ISLANDS			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		328	329	335	339	218	315	U.S.	Circuit
	Terminations		349	324	307	281	214	300		
	Pending		1,231	1,224	1,255	1,320	1,315	1,321	3	1
	Percent Change in Total Filings Current Year Over Earlier Year		-4.0	-4.3	-6.0	-7.1	44.5			
Number of Judgeships			2	2	2	2	2	2		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	0.0	0.0		
Actions per Judgeship	Filings	Total	164	165	168	170	109	158	93	6
		Civil	107	118	101	83	70	94	92	6
		Criminal Felony	54	37	60	78	35	59	75	3
		Supervised Release Hearings	3	11	7	9	5	5	89	6
	Pending Cases <sup>2</sup>		616	612	628	660	658	661	22	2
	Weighted Filings <sup>2</sup>		-	-	-	-	-	-	-	-
	Terminations		175	162	154	141	107	150	92	6
	Trials Completed		21	21	26	28	33	38	8	1
Median Time (Months)	From Filing to Disposition	Criminal Felony	7.8	7.7	8.1	6.2	7.6	13.7	81	3
		Civil <sup>2</sup>	14.6	13.9	16.6	19.1	17.4	13.5	85	6
	From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		109 25.1	121 27.7	117 26.7	127 29.0	140 33.4	169 37.9	91	6
	Average Number of Felony Defendants Filed per Case		1.2	1.2	1.7	1.9	1.2	1.4		
	Jurors	Avg. Present for Jury Selection	39.4	64.4	64.0	74.8	104.9	52.5		
		Percent Not Selected or Challenged	13.8	28.6	36.5	30.4	50.3	29.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	187	-	2	7	2	56	1	60	32	1	10	-	16
Criminal <sup>1</sup>	118	-	31	17	21	7	17	7	-	2	4	9	3

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

MARYLAND			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		5,236	4,865	5,604	4,749	5,205	5,071	U.S.	Circuit
	Terminations		4,903	5,071	4,979	4,903	4,775	4,632		
	Pending		4,637	4,370	4,893	4,720	5,160	5,601		
	Percent Change in Total Filings Current Year Over Earlier Year		-3.2	4.2	-9.5	6.8	-2.6			
Number of Judgeships			10	10	10	10	10	10	68	7
Vacant Judgeship Months <sup>2</sup>			13.4	8.9	16.9	24.0	24.0	12.0		
Actions per Judgeship	Filings	Total	524	487	560	475	521	507	45	2
		Civil	421	394	468	359	411	402	30	2
		Criminal Felony	83	75	71	90	85	80	60	8
		Supervised Release Hearings	20	18	22	27	25	25	63	9
	Pending Cases <sup>2</sup>		464	437	489	472	516	560	32	3
	Weighted Filings <sup>2</sup>		499	463	479	441	491	479	37	2
	Terminations		490	507	498	490	478	463	51	5
	Trials Completed		17	17	18	17	19	17	44	6
	Median Time (Months)	From Filing to Disposition	Criminal Felony	10.6	12.0	11.6	11.7	11.6	12.9	75
Civil <sup>2</sup>			7.5	7.6	7.0	8.3	7.8	7.8	27	2
From Filing to Trial <sup>2</sup> (Civil Only)		33.3	26.7	29.4	30.6	31.5	33.2	46	5	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		140 4.2	148 4.6	156 4.1	184 5.2	195 5.0	433 9.9	57	4
	Average Number of Felony Defendants Filed per Case		1.6	1.5	1.4	1.7	1.5	1.6		
	Jurors	Avg. Present for Jury Selection	43.2	50.6	46.4	53.7	43.2	48.2		
		Percent Not Selected or Challenged	30.9	30.1	29.8	31.7	24.6	31.1		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	4,024	310	354	822	25	79	302	453	471	213	473	16	506
Criminal <sup>1</sup>	790	61	280	79	147	112	35	29	2	20	7	4	14

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NORTH CAROLINA EASTERN

NORTH CAROLINA EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		2,659	2,727	3,267	2,674	2,770	3,016	U.S.	Circuit		
	Terminations		2,975	2,835	2,603	2,701	2,643	2,895				
	Pending		2,820	2,639	3,034	2,976	3,121	3,230				
	Percent Change in Total Filings Current Year Over Earlier Year		13.4	10.6	-7.7	12.8	8.9					
Number of Judgeships			4	4	4	4	4	4	32	3		
Vacant Judgeship Months <sup>2</sup>			12.0	12.0	12.0	12.0	12.0	12.0				
Actions per Judgeship	Filings	Total	665	682	817	669	693	754			12	1
		Civil	492	490	608	457	417	440			22	1
		Criminal Felony	127	149	157	153	204	240	6	1		
		Supervised Release Hearings	46	43	52	59	71	75	16	2		
	Pending Cases <sup>2</sup>		705	660	759	744	780	808	13	2		
	Weighted Filings <sup>2</sup>		544	585	639	549	613	695	10	1		
	Terminations		744	709	651	675	661	724	12	2		
	Trials Completed		36	40	32	40	38	39	7	2		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.5	8.3	8.3	9.5	9.2	9.4	41	6	
Civil <sup>2</sup>			9.0	7.9	9.2	9.1	10.3	9.9	56	4		
From Filing to Trial <sup>2</sup> (Civil Only)		26.8	22.2	32.2	32.3	40.6	37.2	56	6			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		347 16.1	313 16.3	49 2.2	56 2.6	92 4.3	394 19.4	84	8		
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.3	1.3	1.3	1.3				
	Jurors	Avg. Present for Jury Selection	45.4	26.3	40.4	31.6	36.3	37.3				
		Percent Not Selected or Challenged	41.1	17.4	39.8	18.7	26.0	24.9				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,758	173	34	902	20	32	55	119	90	34	170	1	128
Criminal <sup>1</sup>	957	32	352	123	252	60	26	27	2	6	5	4	68

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## NORTH CAROLINA MIDDLE

NORTH CAROLINA MIDDLE			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,813	1,801	2,058	1,860	1,828	2,018	U.S.	Circuit		
	Terminations		2,107	1,981	1,983	1,918	1,882	1,923				
	Pending		1,962	1,756	1,825	1,778	1,739	1,814				
	Percent Change in Total Filings Current Year Over Earlier Year		11.3	12.0	-1.9	8.5	10.4					
Number of Judgeships			4	4	4	4	4	4	23	2		
Vacant Judgeship Months <sup>2</sup>			0.0	12.0	0.0	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	453	450	515	465	457	505			46	3
		Civil	297	266	375	296	285	283			56	7
		Criminal Felony	129	149	101	129	116	145	19	2		
		Supervised Release Hearings	28	36	38	41	57	77	15	1		
	Pending Cases <sup>2</sup>		491	439	456	445	435	454	52	5		
	Weighted Filings <sup>2</sup>		407	428	402	418	390	418	52	5		
	Terminations		527	495	496	480	471	481	46	4		
	Trials Completed		17	16	14	13	21	27	15	3		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	6.8	6.1	7.0	6.3	6.7	7.1	14	2	
Civil <sup>2</sup>			11.0	11.6	10.5	9.7	9.3	11.1	74	7		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		100 6.9	157 12.7	121 8.7	82 6.4	83 6.7	166 13.6	68	6		
	Average Number of Felony Defendants Filed per Case		1.2	1.4	1.3	1.3	1.2	1.3				
	Jurors	Avg. Present for Jury Selection	44.2	42.1	49.9	48.7	43.8	41.6				
		Percent Not Selected or Challenged	40.7	24.2	48.5	43.7	46.6	28.6				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,132	94	20	599	9	7	38	99	43	29	129	-	65
Criminal <sup>1</sup>	576	9	163	32	268	38	37	21	1	2	1	-	4

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NORTH CAROLINA WESTERN

NORTH CAROLINA WESTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,995	1,942	2,309	2,214	2,204	2,063	U.S.	Circuit
	Terminations		2,334	2,197	2,212	2,119	2,220	2,068		
	Pending		1,945	1,676	1,780	1,871	1,839	1,828		
	Percent Change in Total Filings Current Year Over Earlier Year		3.4	6.2	-10.7	-6.8	-6.4			
Number of Judgeships			5	5	5	5	5	5	76	8
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	9.9	10.7		
Actions per Judgeship	Filings	Total	399	388	462	443	441	413	65	8
		Civil	241	217	285	247	249	232	72	8
		Criminal Felony	105	113	120	138	122	113	30	4
		Supervised Release Hearings	53	58	57	57	70	67	20	4
	Pending Cases <sup>2</sup>		389	335	356	374	368	366	71	8
	Weighted Filings <sup>2</sup>		353	360	383	438	401	362	68	8
	Terminations		467	439	442	424	444	414	67	8
	Trials Completed		20	17	14	15	17	16	48	7
	Median Time (Months)	From Filing to Disposition	Criminal Felony	15.4	15.6	11.4	9.7	9.0	10.2	55
Civil <sup>2</sup>			9.4	8.5	9.2	8.7	8.7	9.1	45	3
From Filing to Trial <sup>2</sup> (Civil Only)		24.5	-	19.2	17.9	19.3	21.5	12	3	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		36 3.2	38 3.9	39 3.3	45 3.7	54 4.5	127 10.9	64	5
	Average Number of Felony Defendants Filed per Case		1.5	1.4	1.6	1.5	1.3	1.2		
	Jurors	Avg. Present for Jury Selection	30.7	34.2	28.7	29.1	42.1	30.9		
		Percent Not Selected or Challenged	17.5	22.1	29.7	20.5	40.3	26.5		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,162	200	24	307	19	14	63	124	56	47	208	-	100
Criminal <sup>1</sup>	564	11	182	61	137	73	18	50	4	6	4	4	14

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## SOUTH CAROLINA

SOUTH CAROLINA			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		5,673	5,992	6,022	4,699	5,028	4,935	U.S.	Circuit
	Terminations		4,786	4,632	4,816	7,628	4,768	5,180		
	Pending		5,262	6,630	7,813	4,900	5,167	4,937		
	Percent Change in Total Filings Current Year Over Earlier Year		-13.0	-17.6	-18.1	5.0	-1.8			
Number of Judgeships			10	10	10	10	10	10	64	6
Vacant Judgeship Months <sup>2</sup>			19.9	19.4	24.0	24.0	28.5	0.0		
Actions per Judgeship	Filings	Total	567	599	602	470	503	494	47	4
		Civil	452	488	488	338	354	364	37	3
		Criminal Felony	85	85	86	98	113	97	45	6
		Supervised Release Hearings	31	26	28	34	36	33	49	8
	Pending Cases <sup>2</sup>		526	663	781	490	517	494	44	4
	Weighted Filings <sup>2</sup>		411	493	493	422	457	424	49	3
	Terminations		479	463	482	763	477	518	36	3
	Trials Completed		19	15	13	15	15	18	40	5
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.9	9.6	10.2	11.9	11.8	12.4	71
Civil <sup>2</sup>			9.2	9.3	8.4	17.4	8.7	9.9	56	4
From Filing to Trial <sup>2</sup> (Civil Only)		33.5	28.0	30.7	25.7	21.6	27.5	31	4	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		323 7.6	329 5.9	353 5.3	406 11.5	423 11.6	514 14.2	75	7
	Average Number of Felony Defendants Filed per Case		1.7	1.8	1.6	1.6	1.5	1.6		
	Jurors	Avg. Present for Jury Selection	45.0	50.3	55.1	66.4	51.5	50.1		
		Percent Not Selected or Challenged	18.1	18.6	24.2	35.6	37.9	40.6		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,636	406	113	1,149	20	92	263	419	480	53	428	1	212
Criminal <sup>1</sup>	959	16	291	164	214	123	15	20	29	19	10	15	43

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## VIRGINIA EASTERN

VIRGINIA EASTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		5,039	4,915	5,085	4,776	4,799	4,884	U.S.	Circuit
	Terminations		4,923	4,570	4,803	4,752	4,706	4,828		
	Pending		3,392	3,230	3,486	3,543	3,631	3,359		
	Percent Change in Total Filings Current Year Over Earlier Year		-3.1	-0.6	-4.0	2.3	1.8			
Number of Judgeships			11	11	11	11	11	11	51	5
Vacant Judgeship Months <sup>2</sup>			2.5	0.0	0.0	0.0	9.9	23.3		
Actions per Judgeship	Filings	Total	458	447	462	434	436	444	59	7
		Civil	311	318	335	311	305	312	48	5
		Criminal Felony	104	85	84	81	87	91	49	7
		Supervised Release Hearings	43	44	43	42	44	41	43	6
	Pending Cases <sup>2</sup>		308	294	317	322	330	305	83	9
	Weighted Filings <sup>2</sup>		425	426	399	392	406	398	58	7
	Terminations		448	415	437	432	428	439	62	7
	Trials Completed		26	22	21	21	23	23	22	4
	Median Time (Months)	From Filing to Disposition	Criminal Felony	5.0	5.3	5.5	5.9	5.4	5.2	6
Civil <sup>2</sup>			5.6	5.3	5.2	5.3	5.2	5.8	7	1
From Filing to Trial <sup>2</sup> (Civil Only)		11.3	10.7	11.1	10.0	12.8	11.8	1	1	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		32 1.5	62 2.6	91 3.5	348 13.5	431 16.3	131 5.7	32	3
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.3	1.2	1.2	1.2		
	Jurors	Avg. Present for Jury Selection	50.5	52.5	34.3	50.2	52.0	57.1		
		Percent Not Selected or Challenged	39.5	39.9	41.0	39.3	36.4	43.8		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,427	117	47	1,189	3	76	183	313	287	233	481	18	480
Criminal <sup>1</sup>	1,005	9	254	237	173	147	30	73	14	15	14	13	26

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## VIRGINIA WESTERN

VIRGINIA WESTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,781	1,675	1,826	1,628	1,613	1,946	U.S.	Circuit
	Terminations		1,817	1,766	1,591	1,757	1,641	1,586		
	Pending		1,324	1,220	1,396	1,277	1,268	1,636	8	1
	Percent Change in Total Filings Current Year Over Earlier Year		9.3	16.2	6.6	19.5	20.6			
Number of Judgeships			4	4	4	4	4	4	50	6
Vacant Judgeship Months <sup>2</sup>			0.0	11.0	0.0	0.0	6.6	12.0		
Actions per Judgeship	Filings	Total	445	419	457	407	403	487	42	4
		Civil	298	296	345	302	298	342	40	5
		Criminal Felony	108	84	75	71	59	101	38	5
		Supervised Release Hearings	40	40	36	35	46	43	60	7
	Pending Cases <sup>2</sup>		331	305	349	319	317	409	56	6
	Weighted Filings <sup>2</sup>		386	355	355	346	337	406	69	9
	Terminations		454	442	398	439	410	397	4	1
	Trials Completed		44	33	41	39	43	44	27	5
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.7	9.4	9.1	9.9	8.9	8.1	72
Civil <sup>2</sup>			9.4	10.1	9.7	9.1	9.0	11.0	7	2
From Filing to Trial <sup>2</sup> (Civil Only)		14.1	19.2	15.8	20.3	20.3	19.4	10	1	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		18 2.4	17 2.3	21 2.1	20 2.1	20 2.1	35 3.0		
	Average Number of Felony Defendants Filed per Case		2.1	1.6	1.8	1.8	1.7	1.5		
	Jurors	Avg. Present for Jury Selection	35.6	39.6	42.8	38.6	39.8	34.9		
		Percent Not Selected or Challenged	9.7	20.0	23.8	18.1	17.0	10.1		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,368	172	16	634	4	85	50	75	120	9	128	-	75
Criminal <sup>1</sup>	404	1	192	81	53	30	12	3	-	13	7	1	11

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## WEST VIRGINIA NORTHERN

WEST VIRGINIA NORTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,334	1,315	1,273	1,323	1,426	1,469	U.S.	Circuit		
	Terminations		1,217	1,379	1,291	1,225	1,297	1,332				
	Pending		1,004	940	926	1,012	1,136	1,267				
	Percent Change in Total Filings Current Year Over Earlier Year		10.1	11.7	15.4	11.0	3.0					
Number of Judgeships			3	3	3	3	3	3	46	4		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	10.6	3.3				
Actions per Judgeship	Filings	Total	445	438	424	441	475	490			48	5
		Civil	227	225	261	242	254	293			54	6
		Criminal Felony	152	143	86	111	113	124	26	3		
		Supervised Release Hearings	65	70	77	88	108	72	17	3		
	Pending Cases <sup>2</sup>		335	313	309	337	379	422	57	6		
	Weighted Filings <sup>2</sup>		421	395	318	366	380	422	50	4		
	Terminations		406	460	430	408	432	444	60	6		
	Trials Completed		18	15	15	15	19	14	59	8		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	5.8	6.8	7.2	6.7	6.9	8.0	24	4	
Civil <sup>2</sup>			9.2	11.9	8.9	9.9	10.3	11.2	75	8		
From Filing to Trial <sup>2</sup> (Civil Only)		-	17.0	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		8 1.2	10 1.8	9 1.3	22 3.2	33 4.2	43 5.0	24	2		
	Average Number of Felony Defendants Filed per Case		1.7	1.8	1.3	1.6	1.6	1.9				
	Jurors	Avg. Present for Jury Selection	46.2	41.8	38.3	62.1	49.5	59.4				
		Percent Not Selected or Challenged	29.2	36.3	17.3	34.0	25.9	36.7				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	880	17	11	415	3	140	27	84	62	16	46	-	59
Criminal <sup>1</sup>	372	1	254	10	56	19	6	19	-	3	1	2	1

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## WEST VIRGINIA SOUTHERN

WEST VIRGINIA SOUTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		37,875	21,115	13,996	10,995	2,809	1,532	U.S.	Circuit		
	Terminations		2,295	11,668	9,023	35,400	3,877	66,116				
	Pending		63,062	72,541	77,612	53,092	71,302	6,629				
	Percent Change in Total Filings Current Year Over Earlier Year		-96.0	-92.7	-89.1	-86.1	-45.5					
Number of Judgeships			5	5	5	5	5	5	93	9		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	0.0	7.9				
Actions per Judgeship	Filings	Total	7,575	4,223	2,799	2,199	562	306			83	9
		Civil	7,473	4,140	2,718	2,103	461	195			82	9
		Criminal Felony	68	55	50	56	62	71	65	9		
		Supervised Release Hearings	34	29	31	40	38	40	44	7		
	Pending Cases <sup>2</sup>		12,612	14,508	15,522	10,618	14,260	1,326	7	1		
	Weighted Filings <sup>2</sup>		5,163	2,993	1,935	1,534	433	263	88	9		
	Terminations		459	2,334	1,805	7,080	775	13,223	1	1		
	Trials Completed		15	15	8	9	10	13	62	9		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	6.4	6.5	6.3	6.1	6.9	7.8	21	3	
Civil <sup>2</sup>			5.5	15.4	25.3	34.2	36.1	53.1	94	9		
From Filing to Trial <sup>2</sup> (Civil Only)		27.3	21.8	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		1,041 1.7	3,139 4.3	20,542 26.5	25,950 49.1	48,986 69.0	4,713 75.0	94	9		
	Average Number of Felony Defendants Filed per Case		1.3	1.2	1.3	1.3	1.4	1.2				
	Jurors	Avg. Present for Jury Selection	28.9	39.2	94.5	28.4	40.7	40.5				
		Percent Not Selected or Challenged	13.5	0.8	58.6	5.6	24.8	9.9				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	977	77	84	339	10	14	40	130	111	-	95	-	77
Criminal <sup>1</sup>	352	-	181	18	101	22	2	21	-	2	3	1	1

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## LOUISIANA EASTERN

LOUISIANA EASTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		3,597	4,029	16,475	11,796	17,891	19,230	U.S.	Circuit
	Terminations		4,688	3,699	4,392	4,850	5,623	7,862		
	Pending		6,738	6,876	18,986	26,235	38,479	49,809		
	Percent Change in Total Filings Current Year Over Earlier Year		434.6	377.3	16.7	63.0	7.5			
Number of Judgeships			12	12	12	12	12	12	36	4
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	12.0	22.2	25.7	24.4		
Actions per Judgeship	Filings	Total	300	336	1,373	983	1,491	1,603	1	1
		Civil	260	289	1,337	954	1,454	1,567	1	1
		Criminal Felony	33	41	28	23	27	26	93	9
		Supervised Release Hearings	7	6	7	7	11	9	86	8
	Pending Cases <sup>2</sup>		562	573	1,582	2,186	3,207	4,151	1	1
	Weighted Filings <sup>2</sup>		273	279	1,152	775	1,258	1,279	1	1
	Terminations		391	308	366	404	469	655	15	3
	Trials Completed		9	8	9	9	8	7	88	9
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.2	9.4	13.3	16.0	16.2	12.4	71
Civil <sup>2</sup>			4.9	10.6	8.5	5.9	4.5	11.0	72	7
From Filing to Trial <sup>2</sup> (Civil Only)		18.1	15.6	18.1	19.5	17.5	21.3	11	3	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		1,240 19.8	1,044 16.5	2,544 13.8	2,491 9.7	3,393 8.9	13,161 26.7	89	8
	Average Number of Felony Defendants Filed per Case		1.5	1.7	1.5	1.4	1.5	1.3		
	Jurors	Avg. Present for Jury Selection	54.7	43.0	71.5	59.7	38.7	50.1		
		Percent Not Selected or Challenged	56.4	44.5	66.6	54.9	42.0	47.7		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	18,805	45	12,219	372	-	33	112	305	5,025	35	278	1	380
Criminal <sup>1</sup>	317	2	102	40	60	64	10	6	1	14	2	10	6

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## LOUISIANA MIDDLE

LOUISIANA MIDDLE			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,049	1,110	1,134	1,098	2,361	1,094	U.S.	Circuit
	Terminations		1,028	1,093	1,073	1,012	1,189	1,394		
	Pending		1,163	1,172	1,232	1,307	2,477	2,176		
	Percent Change in Total Filings Current Year Over Earlier Year		4.3	-1.4	-3.5	-0.4	-53.7			
Number of Judgeships			3	3	3	3	3	3	94	9
Vacant Judgeship Months <sup>2</sup>			5.9	12.0	0.0	0.0	0.0	0.0		
Actions per Judgeship	Filings	Total	350	370	378	366	787	365	74	7
		Civil	287	285	302	291	695	295	53	7
		Criminal Felony	53	73	59	62	78	52	80	8
		Supervised Release Hearings	9	12	16	14	14	18	76	6
	Pending Cases <sup>2</sup>		388	391	411	436	826	725	19	4
	Weighted Filings <sup>2</sup>		317	364	357	360	914	353	71	7
	Terminations		343	364	358	337	396	465	50	6
	Trials Completed		27	34	49	36	33	42	5	1
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.5	8.9	9.0	11.8	9.6	9.6	45
Civil <sup>2</sup>			12.3	11.2	11.7	11.6	10.0	13.0	84	9
From Filing to Trial <sup>2</sup> (Civil Only)		41.6	33.0	34.0	37.1	35.6	29.4	35	7	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		35 3.8	33 3.7	41 4.2	55 5.4	42 1.9	55 2.9	8	1
	Average Number of Felony Defendants Filed per Case		1.1	1.4	1.3	1.3	1.5	1.1		
	Jurors	Avg. Present for Jury Selection	30.0	32.3	29.8	29.6	41.1	34.2		
		Percent Not Selected or Challenged	35.9	39.1	37.3	34.8	30.3	29.5		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	885	13	38	234	2	12	43	111	208	7	123	-	94
Criminal <sup>1</sup>	156	1	16	22	77	24	-	6	1	1	-	5	3

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## LOUISIANA WESTERN

LOUISIANA WESTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		3,317	3,730	2,302	2,101	2,141	2,195	U.S.	Circuit		
	Terminations		2,275	2,268	3,171	5,973	2,499	2,133				
	Pending		5,882	7,342	6,445	2,569	2,181	2,242				
	Percent Change in Total Filings Current Year Over Earlier Year		-33.8	-41.2	-4.6	4.5	2.5					
Number of Judgeships			7	7	7	7	7	7	48	7		
Vacant Judgeship Months <sup>2</sup>			0.0	3.8	13.0	24.8	50.0	38.2				
Actions per Judgeship	Filings	Total	474	533	329	300	306	314			82	9
		Civil	430	485	279	253	256	242			65	9
		Criminal Felony	30	35	38	38	41	61	73	7		
		Supervised Release Hearings	14	14	12	9	9	10	85	7		
	Pending Cases <sup>2</sup>		840	1,049	921	367	312	320	81	8		
	Weighted Filings <sup>2</sup>		364	407	281	266	285	293	84	9		
	Terminations		325	324	453	853	357	305	82	9		
	Trials Completed		13	13	11	8	9	8	86	8		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	10.1	10.4	10.4	10.4	9.0	8.0	24	4	
Civil <sup>2</sup>			11.5	12.0	20.3	29.2	14.6	11.3	78	8		
From Filing to Trial <sup>2</sup> (Civil Only)		29.2	28.2	30.3	24.9	28.6	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		151 2.7	888 12.5	2,075 33.7	313 13.7	135 7.1	142 7.6	47	6		
	Average Number of Felony Defendants Filed per Case		1.4	1.6	1.5	1.5	1.3	1.3				
	Jurors	Avg. Present for Jury Selection	53.8	50.4	35.6	41.8	33.6	45.8				
		Percent Not Selected or Challenged	44.0	47.4	29.1	33.4	26.2	25.8				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,696	52	67	562	4	27	54	192	375	17	258	-	88
Criminal <sup>1</sup>	429	5	117	80	115	44	10	25	5	6	4	6	12

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## MISSISSIPPI NORTHERN

MISSISSIPPI NORTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		963	920	959	933	1,000	1,041	U.S.	Circuit
	Terminations		1,135	1,076	855	875	1,055	1,011		
	Pending		947	799	900	917	855	889		
	Percent Change in Total Filings Current Year Over Earlier Year		8.1	13.2	8.6	11.6	4.1			
Number of Judgeships			3	3	3	3	3	3	41	6
Vacant Judgeship Months <sup>2</sup>			4.1	0.0	0.0	0.0	0.0	0.0		
Actions per Judgeship	Filings	Total	321	307	320	311	333	347	78	8
		Civil	263	232	254	237	261	250	63	8
		Criminal Felony	49	66	54	60	58	78	61	6
		Supervised Release Hearings	9	8	11	14	14	19	72	5
	Pending Cases <sup>2</sup>		316	266	300	306	285	296	87	9
	Weighted Filings <sup>2</sup>		292	306	300	289	319	334	73	8
	Terminations		378	359	285	292	352	337	79	8
	Trials Completed		19	16	21	16	24	25	18	2
	Median Time (Months)	From Filing to Disposition	Criminal Felony	11.8	9.9	9.6	10.8	9.2	8.8	35
Civil <sup>2</sup>			9.9	10.3	9.0	8.9	9.3	9.0	44	5
From Filing to Trial <sup>2</sup> (Civil Only)		20.0	24.8	21.5	28.0	22.2	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		22 3.1	7 1.2	9 1.3	12 1.7	7 1.0	23 3.4	15	3
	Average Number of Felony Defendants Filed per Case		1.2	1.6	1.3	1.4	1.3	1.5		
	Jurors	Avg. Present for Jury Selection	27.7	35.1	31.5	25.4	28.5	27.6		
		Percent Not Selected or Challenged	25.6	43.5	26.9	37.6	35.1	26.9		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	750	160	20	138	1	13	18	99	116	3	126	1	55
Criminal <sup>1</sup>	234	3	92	2	66	20	14	25	1	6	-	3	2

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## MISSISSIPPI SOUTHERN

MISSISSIPPI SOUTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,423	2,139	2,146	2,295	2,304	2,545	U.S.	Circuit
	Terminations		2,416	2,270	2,197	2,257	2,325	2,183		
	Pending		2,190	2,037	1,976	2,009	1,981	2,333		
	Percent Change in Total Filings Current Year Over Earlier Year		5.0	19.0	18.6	10.9	10.5			
Number of Judgeships			6	6	6	6	6	6	22	3
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	3.2	14.0		
Actions per Judgeship	Filings	Total	404	357	358	383	384	424	62	6
		Civil	315	284	292	296	279	302	50	5
		Criminal Felony	63	53	43	62	85	102	39	5
		Supervised Release Hearings	26	20	23	24	21	21	70	4
	Pending Cases <sup>2</sup>		365	340	329	335	330	389	63	7
	Weighted Filings <sup>2</sup>		381	347	326	366	389	419	51	6
	Terminations		403	378	366	376	388	364	76	7
	Trials Completed		23	20	18	21	20	25	18	2
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.4	8.5	8.2	9.2	7.8	8.1	27
Civil <sup>2</sup>			10.4	10.4	10.9	10.0	9.0	9.3	48	6
From Filing to Trial <sup>2</sup> (Civil Only)		22.4	21.4	19.0	27.1	21.6	23.2	17	5	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		95 5.1	93 5.4	76 4.5	59 3.5	50 3.2	54 3.1	11	2
	Average Number of Felony Defendants Filed per Case		1.6	1.6	1.5	1.5	1.3	1.3		
	Jurors	Avg. Present for Jury Selection	32.4	34.7	32.0	39.1	31.8	45.8		
		Percent Not Selected or Challenged	32.5	33.6	33.9	40.1	32.8	45.0		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,811	50	56	517	10	20	48	273	466	10	261	-	100
Criminal <sup>1</sup>	610	1	154	82	213	61	18	29	1	7	7	8	29

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## TEXAS NORTHERN

TEXAS NORTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		8,732	8,263	7,920	7,207	7,712	7,622	U.S.	Circuit		
	Terminations		6,554	6,619	6,515	6,629	7,072	7,283				
	Pending		11,583	13,176	14,495	15,043	15,697	16,027				
	Percent Change in Total Filings Current Year Over Earlier Year		-12.7	-7.8	-3.8	5.8	-1.2					
Number of Judgeships			12	12	12	12	12	12	60	8		
Vacant Judgeship Months <sup>2</sup>			12.0	17.9	30.8	48.0	48.0	65.9				
Actions per Judgeship	Filings	Total	728	689	660	601	643	635			21	4
		Civil	570	535	495	456	475	450			20	2
		Criminal Felony	130	128	136	115	135	151	18	3		
		Supervised Release Hearings	27	26	29	29	33	34	48	3		
	Pending Cases <sup>2</sup>		965	1,098	1,208	1,254	1,308	1,336	6	2		
	Weighted Filings <sup>2</sup>		620	600	582	519	575	597	20	4		
	Terminations		546	552	543	552	589	607	20	4		
	Trials Completed		19	20	18	21	17	21	30	6		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.4	7.4	7.1	7.8	7.1	7.6	19	3	
Civil <sup>2</sup>			6.5	6.4	6.5	7.3	6.9	6.7	14	1		
From Filing to Trial <sup>2</sup> (Civil Only)		23.1	23.8	26.9	20.1	24.8	21.2	10	2			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		220 2.2	1,679 14.7	4,527 35.9	6,478 48.7	7,936 57.3	8,752 62.2	93	9		
	Average Number of Felony Defendants Filed per Case		1.6	1.5	1.7	1.5	1.6	1.4				
	Jurors	Avg. Present for Jury Selection	40.9	40.5	59.0	51.4	66.3	52.1				
		Percent Not Selected or Challenged	35.1	40.8	48.1	45.7	46.9	46.6				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	5,404	155	472	1,667	15	242	220	637	414	335	631	2	614
Criminal <sup>1</sup>	1,810	110	664	277	304	141	78	96	12	53	23	25	27

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## TEXAS EASTERN

TEXAS EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		5,281	5,296	5,919	4,880	3,856	4,102	U.S.	Circuit		
	Terminations		4,896	5,408	5,901	5,486	4,220	3,931				
	Pending		6,000	5,794	5,810	5,220	4,881	5,064				
	Percent Change in Total Filings Current Year Over Earlier Year		-22.3	-22.5	-30.7	-15.9	6.4					
Number of Judgeships			8	8	8	8	8	8	39	5		
Vacant Judgeship Months <sup>2</sup>			24.0	29.2	29.7	36.0	40.0	35.7				
Actions per Judgeship	Filings	Total	660	662	740	610	482	513			43	5
		Civil	528	564	620	517	373	382			36	3
		Criminal Felony	131	97	119	93	109	131			25	4
		Supervised Release Hearings	1	1	1	1	1	1			93	9
	Pending Cases <sup>2</sup>		750	724	726	653	610	633	27	5		
	Weighted Filings <sup>2</sup>		977	1,023	1,090	864	565	595	21	5		
	Terminations		612	676	738	686	528	491	43	5		
	Trials Completed		18	14	15	14	12	11	72	7		
Median Time (Months)	From Filing to Disposition	Criminal Felony	12.2	14.3	11.6	12.7	10.6	9.6	45	7		
		Civil <sup>2</sup>	9.0	8.1	6.5	7.1	8.5	8.6	38	4		
	From Filing to Trial <sup>2</sup> (Civil Only)		27.9	22.9	20.7	22.0	19.2	17.5	3	1		
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		227 5.4	240 5.5	270 6.3	264 6.8	243 7.0	275 8.3	50	7		
	Average Number of Felony Defendants Filed per Case		2.2	1.8	2.1	1.8	2.0	1.7				
	Jurors	Avg. Present for Jury Selection	35.3	41.6	37.1	37.9	48.8	37.8				
		Percent Not Selected or Challenged	30.5	36.4	29.8	32.3	38.7	32.3				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,053	127	54	1,027	8	91	130	320	244	523	203	4	322
Criminal <sup>1</sup>	1,044	22	517	136	147	46	59	40	3	17	11	6	40

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## TEXAS SOUTHERN

TEXAS SOUTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		14,674	14,159	15,183	14,140	14,135	16,792	U.S.	Circuit
	Terminations		14,896	13,934	14,379	14,613	13,793	15,234		
	Pending		11,833	12,074	12,942	12,561	12,879	14,246		
	Percent Change in Total Filings Current Year Over Earlier Year		14.4	18.6	10.6	18.8	18.8			
Number of Judgeships			19	19	19	19	19	19		
Vacant Judgeship Months <sup>2</sup>			37.7	47.2	15.0	24.0	27.0	30.7		
Actions per Judgeship	Filings	Total	772	745	799	744	744	884	8	3
		Civil	322	318	327	320	308	364	37	4
		Criminal Felony	347	340	380	330	344	427	3	2
		Supervised Release Hearings	103	88	92	94	92	93	10	2
	Pending Cases <sup>2</sup>		623	635	681	661	678	750	16	3
	Weighted Filings <sup>2</sup>		573	538	577	554	569	657	12	3
	Terminations		784	733	757	769	726	802	9	2
	Trials Completed		25	22	28	24	25	23	22	4
	Median Time (Months)	From Filing to Disposition	Criminal Felony	4.9	5.1	5.1	5.1	5.0	4.6	4
Civil <sup>2</sup>			6.9	7.2	7.3	8.1	7.8	7.0	18	2
From Filing to Trial <sup>2</sup> (Civil Only)		21.8	21.3	23.4	21.6	20.4	22.0	14	4	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		420 8.2	397 7.8	389 7.2	405 7.4	382 7.2	373 6.5	40	5
	Average Number of Felony Defendants Filed per Case		1.2	1.1	1.2	1.2	1.2	1.1		
	Jurors	Avg. Present for Jury Selection	51.1	48.5	45.8	47.2	45.5	46.2		
		Percent Not Selected or Challenged	38.6	40.9	37.8	37.7	38.7	39.9		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	6,908	118	108	1,323	23	484	581	1,592	839	299	678	1	862
Criminal <sup>1</sup>	8,107	139	928	6,007	338	284	94	97	17	20	38	94	51

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## TEXAS WESTERN

TEXAS WESTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		12,010	11,076	12,393	11,611	13,261	15,119	U.S.	Circuit		
	Terminations		12,242	10,828	11,153	11,872	12,310	14,540				
	Pending		6,308	6,330	7,219	6,651	7,517	7,989				
	Percent Change in Total Filings Current Year Over Earlier Year		25.9	36.5	22.0	30.2	14.0					
Number of Judgeships			13	13	13	13	13	13	18	2		
Vacant Judgeship Months <sup>2</sup>			12.0	4.5	12.0	21.5	24.3	14.2				
Actions per Judgeship	Filings	Total	924	852	953	893	1,020	1,163			5	2
		Civil	268	250	329	279	266	302			50	5
		Criminal Felony	523	489	508	493	644	749	1	1		
		Supervised Release Hearings	132	113	117	121	109	112	6	1		
	Pending Cases <sup>2</sup>		485	487	555	512	578	615	28	6		
	Weighted Filings <sup>2</sup>		688	662	753	696	734	800	6	2		
	Terminations		942	833	858	913	947	1,118	2	1		
	Trials Completed		22	21	20	19	20	22	27	5		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	4.9	5.2	5.5	5.6	4.4	4.3	2	1	
Civil <sup>2</sup>			6.6	7.1	6.1	7.3	7.8	7.5	20	3		
From Filing to Trial <sup>2</sup> (Civil Only)		21.8	17.9	20.4	20.8	19.1	27.4	30	6			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		75 3.2	91 3.7	71 2.3	80 2.8	87 3.2	153 5.2	26	4		
	Average Number of Felony Defendants Filed per Case		1.1	1.2	1.2	1.2	1.1	1.1				
	Jurors	Avg. Present for Jury Selection	59.9	59.9	54.4	53.2	50.8	65.5				
		Percent Not Selected or Challenged	46.8	46.2	46.7	40.9	43.1	39.2				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,928	82	278	982	18	210	292	470	357	319	471	7	442
Criminal <sup>1</sup>	9,733	498	907	7,441	307	263	51	98	7	17	35	57	52

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## KENTUCKY EASTERN

KENTUCKY EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		2,398	1,860	2,020	2,292	2,301	2,206	U.S.	Circuit		
	Terminations		2,295	2,226	1,924	2,059	2,142	2,168				
	Pending		2,217	1,845	1,946	2,178	2,343	2,391				
	Percent Change in Total Filings Current Year Over Earlier Year		-8.0	18.6	9.2	-3.8	-4.1					
Number of Judgeships			5.5	5.5	5.5	5.5	5.5	5.5	72	7		
Vacant Judgeship Months <sup>2</sup>			12.0	12.0	12.0	13.2	24.0	0.0				
Actions per Judgeship	Filings	Total	436	338	367	417	418	401			68	8
		Civil	283	222	252	305	298	241			67	7
		Criminal Felony	114	81	82	74	85	115	29	3		
		Supervised Release Hearings	39	35	33	39	35	45	34	4		
	Pending Cases <sup>2</sup>		403	335	354	396	426	435	55	7		
	Weighted Filings <sup>2</sup>		374	300	314	330	338	357	69	8		
	Terminations		417	405	350	374	389	394	70	8		
	Trials Completed		18	15	15	22	18	21	30	4		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.6	10.2	8.3	9.3	10.1	9.5	42	3	
Civil <sup>2</sup>			8.8	10.1	10.5	8.9	8.1	9.2	47	4		
From Filing to Trial <sup>2</sup> (Civil Only)		25.1	-	41.0	-	27.3	24.3	21	3			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		137 9.7	142 11.5	141 10.8	131 8.6	133 8.3	170 10.8	61	7		
	Average Number of Felony Defendants Filed per Case		2.2	1.8	1.8	1.6	1.7	1.6				
	Jurors	Avg. Present for Jury Selection	50.1	51.5	48.1	53.0	51.4	52.2				
		Percent Not Selected or Challenged	36.4	37.5	35.1	35.4	36.3	37.0				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,325	73	125	410	10	106	63	115	141	19	126	-	137
Criminal <sup>1</sup>	634	8	295	84	84	56	22	29	-	12	5	7	32

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## KENTUCKY WESTERN

KENTUCKY WESTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,050	2,051	1,667	1,842	1,731	2,012	U.S.	Circuit
	Terminations		1,584	1,617	1,627	2,850	1,730	1,793		
	Pending		2,447	2,849	2,892	1,892	1,880	2,096	14	2
	Percent Change in Total Filings Current Year Over Earlier Year		-1.9	-1.9	20.7	9.2	16.2			
Number of Judgeships			4.5	4.5	4.5	4.5	4.5	4.5	57	6
Vacant Judgeship Months <sup>2</sup>			27.0	24.7	12.0	12.0	12.0	12.7		
Actions per Judgeship	Filings	Total	456	456	370	409	385	447	46	5
		Civil	370	381	296	316	305	324	40	5
		Criminal Felony	66	59	58	74	62	101	66	8
		Supervised Release Hearings	20	16	17	20	17	22	49	6
	Pending Cases <sup>2</sup>		544	633	643	420	418	466	53	6
	Weighted Filings <sup>2</sup>		400	384	331	372	352	416	68	7
	Terminations		352	359	362	633	384	398	40	6
	Trials Completed		12	12	14	16	14	18	71	9
Median Time (Months)	From Filing to Disposition	Criminal Felony	11.0	13.0	13.5	12.3	13.1	12.4	33	2
		Civil <sup>2</sup>	8.5	8.4	9.3	23.6	9.4	8.5	47	9
	From Filing to Trial <sup>2</sup> (Civil Only)		27.3	28.1	-	29.8	44.7	35.1	44	5
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		62 3.1	77 3.1	471 18.8	121 8.4	123 8.6	109 7.3	44	5
	Average Number of Felony Defendants Filed per Case		1.5	1.5	1.4	1.5	1.3	1.3		
	Jurors	Avg. Present for Jury Selection	36.9	42.0	49.5	44.0	44.1	52.9		
		Percent Not Selected or Challenged	28.1	33.1	44.2	35.6	26.2	37.0		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,456	95	42	300	4	86	107	135	145	17	197	5	323
Criminal <sup>1</sup>	451	-	150	32	160	47	11	31	3	7	3	3	4

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## MICHIGAN EASTERN

MICHIGAN EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		6,387	6,080	5,946	5,400	5,528	5,170	U.S.	Circuit		
	Terminations		6,775	6,057	5,960	5,580	5,556	5,495				
	Pending		6,756	6,745	6,689	6,478	6,401	5,295				
	Percent Change in Total Filings Current Year Over Earlier Year		-19.1	-15.0	-13.1	-4.3	-6.5					
Number of Judgeships			15	15	15	15	15	15	77	8		
Vacant Judgeship Months <sup>2</sup>			33.3	0.0	0.0	8.1	12.0	12.0				
Actions per Judgeship	Filings	Total	426	405	396	360	369	345			79	9
		Civil	345	327	315	284	279	268			61	6
		Criminal Felony	66	62	66	58	68	58			76	9
		Supervised Release Hearings	15	16	15	19	22	20			71	9
	Pending Cases <sup>2</sup>		450	450	446	432	427	353			77	9
	Weighted Filings <sup>2</sup>		401	365	364	342	336	328	75	9		
	Terminations		452	404	397	372	370	366	75	9		
	Trials Completed		15	13	13	13	12	12	66	8		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.5	10.4	11.7	10.9	10.8	10.4	57	6	
Civil <sup>2</sup>			8.5	8.6	8.2	9.3	9.3	8.7	40	3		
From Filing to Trial <sup>2</sup> (Civil Only)		28.4	28.0	29.6	25.9	25.8	29.1	34	6			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		465 8.7	667 12.4	1,004 19.2	1,085 21.1	1,035 20.6	337 8.3	50	6		
	Average Number of Felony Defendants Filed per Case		1.4	1.4	1.3	1.3	1.4	1.3				
	Jurors	Avg. Present for Jury Selection	57.5	72.1	49.6	44.5	63.4	63.1				
		Percent Not Selected or Challenged	52.6	50.7	48.7	45.4	51.5	51.3				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	4,013	247	68	844	18	61	283	488	325	287	745	25	622
Criminal <sup>1</sup>	859	-	205	160	186	139	33	38	1	32	13	17	35

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## MICHIGAN WESTERN

MICHIGAN WESTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,277	2,070	2,365	2,058	2,152	2,143	U.S.	Circuit
	Terminations		2,208	2,208	2,292	2,354	2,047	2,100		
	Pending		1,865	1,711	1,777	1,484	1,584	1,609		
	Percent Change in Total Filings Current Year Over Earlier Year		-5.9	3.5	-9.4	4.1	-0.4			
Number of Judgeships			4	4	4	4	4	4	58	6
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	4.9	12.0	12.0		
Actions per Judgeship	Filings	Total	569	518	591	515	538	536	40	3
		Civil	427	398	451	378	379	386	35	4
		Criminal Felony	103	82	100	85	110	107	35	4
		Supervised Release Hearings	40	38	41	52	50	43	38	5
	Pending Cases <sup>2</sup>		466	428	444	371	396	402	61	8
	Weighted Filings <sup>2</sup>		477	421	475	407	466	483	34	4
	Terminations		552	552	573	589	512	525	34	3
	Trials Completed		17	16	23	18	15	20	35	5
Median Time (Months)	From Filing to Disposition	Criminal Felony	7.4	7.5	6.6	7.3	6.6	6.5	11	1
		Civil <sup>2</sup>	8.1	9.0	9.7	8.2	7.8	7.2	19	1
	From Filing to Trial <sup>2</sup> (Civil Only)		34.9	28.6	28.5	39.0	34.4	29.8	37	7
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		76 4.9	64 4.2	98 6.4	70 5.5	47 3.6	45 3.4	15	1
	Average Number of Felony Defendants Filed per Case		1.5	1.3	1.4	1.2	1.4	1.3		
	Jurors	Avg. Present for Jury Selection	34.5	37.8	33.9	31.8	38.2	39.1		
		Percent Not Selected or Challenged	32.5	30.4	35.4	35.3	34.6	42.7		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,545	125	19	562	1	26	101	91	56	80	320	1	163
Criminal <sup>1</sup>	428	6	136	78	66	56	26	24	4	8	8	8	8

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## OHIO NORTHERN

OHIO NORTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		5,126	6,144	4,826	4,321	5,343	5,846	U.S.	Circuit
	Terminations		4,363	8,362	8,106	5,569	4,560	4,937		
	Pending		12,012	9,774	6,455	5,184	5,974	6,737		
	Percent Change in Total Filings Current Year Over Earlier Year		14.0	-4.9	21.1	35.3	9.4			
Number of Judgeships			11	11	11	11	11	11		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	12.0	11.3		
Actions per Judgeship	Filings	Total	466	559	439	393	486	531	42	4
		Civil	366	457	339	290	352	388	33	3
		Criminal Felony	65	61	60	53	83	95	47	7
		Supervised Release Hearings	35	40	40	50	51	48	27	3
	Pending Cases <sup>2</sup>		1,092	889	587	471	543	612	30	2
	Weighted Filings <sup>2</sup>		389	358	342	319	362	439	44	5
	Terminations		397	760	737	506	415	449	58	4
	Trials Completed		13	10	12	12	11	13	62	7
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.5	8.7	7.8	8.8	7.9	8.4	31
Civil <sup>2</sup>			8.3	27.6	16.8	12.9	10.3	9.9	56	6
From Filing to Trial <sup>2</sup> (Civil Only)		18.9	35.4	30.6	26.7	21.4	18.6	5	1	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		1,325 11.7	2,622 28.5	1,725 29.4	1,145 24.9	1,317 25.4	1,057 18.2	83	9
	Average Number of Felony Defendants Filed per Case		1.7	1.6	1.6	1.5	1.5	1.4		
	Jurors	Avg. Present for Jury Selection	47.8	43.0	37.9	40.9	53.1	45.9		
		Percent Not Selected or Challenged	42.1	37.0	35.4	36.3	45.6	40.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	4,273	360	310	629	25	37	384	258	382	243	458	1	1,186
Criminal <sup>1</sup>	1,046	34	403	106	247	92	32	62	11	17	12	5	25

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## OHIO SOUTHERN

OHIO SOUTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		3,672	6,849	3,731	3,320	3,295	6,197	U.S.	Circuit		
	Terminations		3,670	3,599	3,275	3,428	2,797	6,600				
	Pending		3,374	6,614	7,045	6,917	7,397	7,039				
	Percent Change in Total Filings Current Year Over Earlier Year		68.8	-9.5	66.1	86.7	88.1					
Number of Judgeships			8	8	8	8	8	8	1	1		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	1.9	12.0	25.0	39.7				
Actions per Judgeship	Filings	Total	459	856	466	415	412	775			11	1
		Civil	346	746	363	312	290	658			8	1
		Criminal Felony	81	81	74	72	96	91	49	8		
		Supervised Release Hearings	33	29	29	31	27	26	60	7		
	Pending Cases <sup>2</sup>		422	827	881	865	925	880	11	1		
	Weighted Filings <sup>2</sup>		426	436	401	374	403	642	14	1		
	Terminations		459	450	409	429	350	825	7	1		
	Trials Completed		32	22	21	26	24	35	9	1		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.5	7.5	8.2	9.0	8.4	10.7	61	7	
Civil <sup>2</sup>			9.6	9.1	9.2	8.8	9.6	41.6	93	9		
From Filing to Trial <sup>2</sup> (Civil Only)		27.6	29.5	33.0	33.1	32.4	31.4	42	8			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		146 5.3	156 2.6	200 3.2	309 5.0	3,612 56.3	365 6.2	37	4		
	Average Number of Felony Defendants Filed per Case		1.4	1.5	1.4	1.3	1.5	1.4				
	Jurors	Avg. Present for Jury Selection	55.3	51.7	72.1	55.0	45.4	63.8				
		Percent Not Selected or Challenged	42.5	39.8	33.8	40.7	35.4	47.0				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	5,260	279	2,835	392	14	73	308	242	225	51	542	7	292
Criminal <sup>1</sup>	729	6	310	64	127	107	22	33	5	6	9	10	30

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## TENNESSEE EASTERN

TENNESSEE EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		2,431	2,312	2,511	2,099	2,044	2,339	U.S.	Circuit		
	Terminations		2,681	2,377	2,233	2,531	2,180	2,162				
	Pending		2,632	2,559	2,835	2,419	2,287	2,457				
	Percent Change in Total Filings Current Year Over Earlier Year		-3.8	1.2	-6.8	11.4	14.4					
Number of Judgeships			5	5	5	5	5	5	16	3		
Vacant Judgeship Months <sup>2</sup>			7.1	7.9	5.2	0.0	0.0	12.0				
Actions per Judgeship	Filings	Total	486	462	502	420	409	468			52	5
		Civil	300	268	340	260	231	234			71	8
		Criminal Felony	153	164	134	128	148	205	10	1		
		Supervised Release Hearings	34	30	28	32	30	29	55	6		
	Pending Cases <sup>2</sup>		526	512	567	484	457	491	45	4		
	Weighted Filings <sup>2</sup>		499	486	459	411	428	504	32	3		
	Terminations		536	475	447	506	436	432	66	6		
	Trials Completed		11	11	11	15	9	11	72	9		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.4	9.6	10.5	10.8	9.9	9.6	45	4	
Civil <sup>2</sup>			11.7	13.1	12.1	12.7	12.2	11.8	80	8		
From Filing to Trial <sup>2</sup> (Civil Only)		29.6	33.4	24.9	25.5	28.7	25.6	27	4			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		113 6.1	103 6.1	72 3.5	101 6.0	63 4.3	81 5.7	32	3		
	Average Number of Felony Defendants Filed per Case		1.5	1.9	1.7	1.7	1.6	1.6				
	Jurors	Avg. Present for Jury Selection	56.2	53.1	37.1	36.3	26.3	38.0				
		Percent Not Selected or Challenged	47.5	53.0	27.8	29.0	38.2	36.1				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,170	58	37	315	9	21	88	120	152	15	230	3	122
Criminal <sup>1</sup>	1,026	6	513	117	266	42	22	31	1	7	8	1	12

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## TENNESSEE MIDDLE

TENNESSEE MIDDLE			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,976	2,431	3,085	3,492	2,051	2,272	U.S.	Circuit
	Terminations		3,215	2,573	3,049	3,585	2,186	2,279		
	Pending		2,267	2,122	2,143	2,049	1,901	1,892		
	Percent Change in Total Filings Current Year Over Earlier Year		-23.7	-6.5	-26.4	-34.9	10.8			
Number of Judgeships			4	4	4	4	4	4	21	4
Vacant Judgeship Months <sup>2</sup>			0.0	6.9	9.3	9.4	18.3	3.3		
Actions per Judgeship	Filings	Total	744	608	771	873	513	568	26	2
		Civil	647	505	662	758	364	401	31	2
		Criminal Felony	52	61	56	66	88	98	43	6
		Supervised Release Hearings	46	43	54	50	61	70	18	1
	Pending Cases <sup>2</sup>		567	531	536	512	475	473	47	5
	Weighted Filings <sup>2</sup>		598	513	595	719	462	508	31	2
	Terminations		804	643	762	896	547	570	25	2
	Trials Completed		31	24	20	31	23	29	11	2
	Median Time (Months)	From Filing to Disposition	Criminal Felony	15.2	18.9	18.6	17.6	15.5	12.0	68
Civil <sup>2</sup>			12.0	12.3	12.4	11.1	11.7	10.8	70	7
From Filing to Trial <sup>2</sup> (Civil Only)		36.2	31.5	37.1	26.8	27.6	26.0	28	5	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		161 9.0	87 5.3	91 5.3	61 3.8	52 3.7	64 4.7	20	2
	Average Number of Felony Defendants Filed per Case		1.5	1.6	1.3	1.4	1.4	1.2		
	Jurors	Avg. Present for Jury Selection	33.1	32.5	36.1	43.5	40.5	55.4		
		Percent Not Selected or Challenged	29.4	22.0	18.1	43.2	17.3	33.7		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,602	54	29	619	4	23	137	132	122	33	322	2	125
Criminal <sup>1</sup>	392	5	94	40	184	32	19	8	-	3	5	-	2

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## TENNESSEE WESTERN

TENNESSEE WESTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,130	2,176	2,060	2,036	2,263	2,091	U.S.	Circuit
	Terminations		2,343	2,147	2,070	1,964	2,127	2,213		
	Pending		2,532	2,564	2,550	2,638	2,792	2,695		
	Percent Change in Total Filings Current Year Over Earlier Year		-1.8	-3.9	1.5	2.7	-7.6			
Number of Judgeships			5	5	5	5	5	5	81	9
Vacant Judgeship Months <sup>2</sup>			8.2	0.0	12.0	15.4	18.3	3.3		
Actions per Judgeship	Filings	Total	426	435	412	407	453	418	63	7
		Civil	268	271	259	242	237	231	73	9
		Criminal Felony	97	109	96	97	142	118	27	2
		Supervised Release Hearings	60	55	57	69	74	69	19	2
	Pending Cases <sup>2</sup>		506	513	510	528	558	539	35	3
	Weighted Filings <sup>2</sup>		369	384	343	346	414	371	65	7
	Terminations		469	429	414	393	425	443	61	5
	Trials Completed		29	39	30	28	28	29	11	2
Median Time (Months)	From Filing to Disposition	Criminal Felony	9.2	9.8	9.7	8.8	9.2	9.9	54	5
		Civil <sup>2</sup>	10.9	10.6	9.9	9.0	9.3	9.5	50	5
	From Filing to Trial <sup>2</sup> (Civil Only)		18.6	20.7	26.2	24.1	-	20.1	9	2
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		142 8.6	128 7.7	176 10.4	185 10.9	163 10.1	208 13.8	71	8
	Average Number of Felony Defendants Filed per Case		1.4	1.5	1.4	1.4	1.5	1.3		
	Jurors	Avg. Present for Jury Selection	41.2	43.8	40.6	56.1	52.4	58.9		
		Percent Not Selected or Challenged	49.5	51.3	40.7	53.6	48.7	51.6		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,156	54	16	383	14	43	67	114	143	8	230	-	84
Criminal <sup>1</sup>	587	12	159	34	228	50	24	16	2	35	8	9	10

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## ILLINOIS NORTHERN

ILLINOIS NORTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		11,058	12,809	14,326	11,238	10,491	10,068	U.S.	Circuit
	Terminations		10,639	11,260	10,862	11,276	11,009	10,443		
	Pending		12,603	14,099	17,534	17,480	16,981	16,611	71	5
	Percent Change in Total Filings Current Year Over Earlier Year		-9.0	-21.4	-29.7	-10.4	-4.0			
Number of Judgeships			22	22	22	22	22	22	54	6
Vacant Judgeship Months <sup>2</sup>			22.5	7.4	0.0	12.2	29.9	49.7		
Actions per Judgeship	Filings	Total	503	582	651	511	477	458	28	5
		Civil	456	538	615	469	436	404	88	7
		Criminal Felony	33	33	28	34	33	45		
		Supervised Release Hearings	13	11	8	7	8	9	86	6
	Pending Cases <sup>2</sup>		573	641	797	795	772	755	15	2
	Weighted Filings <sup>2</sup>		439	445	430	461	444	433	45	5
	Terminations		484	512	494	513	500	475	48	6
	Trials Completed		12	12	12	10	11	9	81	6
	Median Time (Months)	From Filing to Disposition	Criminal Felony	17.5	19.4	19.1	19.3	16.9	19.8	92
Civil <sup>2</sup>			6.9	7.3	7.3	8.2	7.5	7.6	23	3
From Filing to Trial <sup>2</sup> (Civil Only)		35.4	33.0	38.4	40.0	36.3	36.7	53	4	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		973 9.0	1,282 10.4	1,317 8.3	1,467 9.4	2,957 19.5	5,433 37.5	90	7
	Average Number of Felony Defendants Filed per Case		1.5	1.5	1.4	1.4	1.4	1.3		
	Jurors	Avg. Present for Jury Selection	42.0	44.0	46.1	49.2	50.1	49.1		
		Percent Not Selected or Challenged	34.4	36.3	37.8	41.6	38.4	43.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	8,881	531	356	1,454	17	74	860	804	793	798	1,335	77	1,782
Criminal <sup>1</sup>	992	8	313	101	250	128	80	31	1	10	15	16	39

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## ILLINOIS CENTRAL

ILLINOIS CENTRAL			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,927	1,775	1,996	2,026	2,027	1,831	U.S.	Circuit		
	Terminations		1,909	1,852	1,938	2,055	1,999	1,847				
	Pending		2,020	1,939	1,992	1,963	2,001	1,984				
	Percent Change in Total Filings Current Year Over Earlier Year		-5.0	3.2	-8.3	-9.6	-9.7					
Number of Judgeships			4	4	4	4	4	4	85	6		
Vacant Judgeship Months <sup>2</sup>			3.2	0.0	0.0	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	482	444	499	507	507	458			54	6
		Civil	366	347	388	396	382	343			41	7
		Criminal Felony	84	61	72	66	78	73	63	5		
		Supervised Release Hearings	32	36	40	45	46	42	40	3		
	Pending Cases <sup>2</sup>		505	485	498	491	500	496	43	6		
	Weighted Filings <sup>2</sup>		411	360	397	401	423	378	60	7		
	Terminations		477	463	485	514	500	462	52	7		
	Trials Completed		32	30	35	30	29	30	10	1		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	13.5	12.4	11.2	11.5	10.5	12.3	70	6	
Civil <sup>2</sup>			9.2	10.8	10.4	10.2	9.0	10.0	59	6		
From Filing to Trial <sup>2</sup> (Civil Only)		36.7	35.1	36.6	34.3	42.8	43.1	59	6			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		78 4.8	91 5.5	105 6.2	102 6.2	92 5.6	77 4.9	22	2		
	Average Number of Felony Defendants Filed per Case		1.4	1.2	1.1	1.2	1.4	1.2				
	Jurors	Avg. Present for Jury Selection	33.3	30.6	31.4	30.4	30.4	23.5				
		Percent Not Selected or Challenged	35.7	31.7	35.7	31.9	36.8	38.4				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,372	138	13	656	2	47	67	63	54	13	221	1	97
Criminal <sup>1</sup>	289	1	118	19	58	26	6	45	8	2	-	3	3

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## ILLINOIS SOUTHERN

ILLINOIS SOUTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		4,124	2,015	1,950	1,807	2,595	2,158	U.S.	Circuit		
	Terminations		4,122	10,329	3,100	2,750	2,353	2,441				
	Pending		12,910	4,595	3,443	2,498	2,734	2,454				
	Percent Change in Total Filings Current Year Over Earlier Year		-47.7	7.1	10.7	19.4	-16.8					
Number of Judgeships			4	4	4	4	4	4	89	7		
Vacant Judgeship Months <sup>2</sup>			8.3	0.0	0.0	0.0	0.0	8.7				
Actions per Judgeship	Filings	Total	1,031	504	488	452	649	540			35	3
		Civil	881	375	366	340	516	403			29	6
		Criminal Felony	112	90	74	65	71	82	58	4		
		Supervised Release Hearings	38	39	48	47	62	55	23	1		
	Pending Cases <sup>2</sup>		3,228	1,149	861	625	684	614	29	4		
	Weighted Filings <sup>2</sup>		787	412	378	349	518	441	43	4		
	Terminations		1,031	2,582	775	688	588	610	19	3		
	Trials Completed		23	17	18	16	14	19	39	3		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.3	10.1	9.8	10.7	9.0	9.3	40	2	
Civil <sup>2</sup>			27.9	35.5	30.6	35.8	18.2	8.3	29	5		
From Filing to Trial <sup>2</sup> (Civil Only)		34.4	30.1	29.0	38.6	38.4	38.6	57	5			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		4,935 39.4	1,637 38.8	1,215 38.5	654 29.2	254 10.4	279 13.2	67	6		
	Average Number of Felony Defendants Filed per Case		1.2	1.5	1.4	1.3	1.2	1.4				
	Jurors	Avg. Present for Jury Selection	27.7	26.5	24.3	12.5	29.4	26.6				
		Percent Not Selected or Challenged	21.5	8.6	10.6	13.2	30.0	18.2				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,611	101	27	634	10	44	54	47	494	12	110	2	76
Criminal <sup>1</sup>	327	1	159	34	54	26	10	30	2	1	6	1	3

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## INDIANA NORTHERN

INDIANA NORTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		3,877	2,071	2,394	2,588	2,455	2,682	U.S.	Circuit
	Terminations		2,311	2,657	2,632	3,096	2,554	2,707		
	Pending		4,434	3,847	3,622	3,117	3,030	3,009		
	Percent Change in Total Filings Current Year Over Earlier Year		-30.8	29.5	12.0	3.6	9.2			
Number of Judgeships			5	5	5	5	5	5	30	2
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	5.6	12.0	21.0	21.3		
Actions per Judgeship	Filings	Total	775	414	479	518	491	536	40	4
		Civil	687	338	388	419	393	438	23	3
		Criminal Felony	65	57	72	80	79	83	55	3
		Supervised Release Hearings	24	19	18	19	18	16	79	5
	Pending Cases <sup>2</sup>		887	769	724	623	606	602	31	5
	Weighted Filings <sup>2</sup>		589	360	425	454	433	467	40	3
	Terminations		462	531	526	619	511	541	30	4
	Trials Completed		23	17	17	16	15	16	48	5
Median Time (Months)	From Filing to Disposition	Criminal Felony	10.9	10.8	10.8	11.2	11.5	10.8	63	3
		Civil <sup>2</sup>	10.6	12.2	17.0	22.1	13.0	14.1	87	7
	From Filing to Trial <sup>2</sup> (Civil Only)		25.4	44.1	-	52.1	-	-	-	-
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		123 3.1	107 3.1	243 7.8	331 13.2	265 11.1	158 6.7	41	4
	Average Number of Felony Defendants Filed per Case		1.2	1.2	1.3	1.4	1.2	1.2		
	Jurors	Avg. Present for Jury Selection	29.7	7.7	12.4	34.0	32.6	33.3		
		Percent Not Selected or Challenged	28.5	30.6	25.9	28.6	30.8	31.1		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,191	356	95	742	14	40	79	125	170	56	354	-	160
Criminal <sup>1</sup>	411	2	125	13	166	32	22	20	4	8	2	2	15

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## INDIANA SOUTHERN

INDIANA SOUTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		3,373	3,274	4,284	5,538	6,163	6,669	U.S.	Circuit		
	Terminations		3,279	3,405	3,123	3,970	3,940	4,806				
	Pending		2,978	2,826	3,966	5,522	7,743	9,612				
	Percent Change in Total Filings Current Year Over Earlier Year		97.7	103.7	55.7	20.4	8.2					
Number of Judgeships			5	5	5	5	5	5	34	3		
Vacant Judgeship Months <sup>2</sup>			0.0	5.0	12.0	12.0	12.0	15.3				
Actions per Judgeship	Filings	Total	675	655	857	1,108	1,233	1,334			3	1
		Civil	583	574	757	1,011	1,119	1,186			3	1
		Criminal Felony	84	73	93	88	108	144			20	1
		Supervised Release Hearings	8	8	7	9	6	5			89	7
	Pending Cases <sup>2</sup>		596	565	793	1,104	1,549	1,922			3	1
	Weighted Filings <sup>2</sup>		598	584	717	915	1,009	1,125			2	1
	Terminations		656	681	625	794	788	961			3	1
	Trials Completed		18	18	21	17	16	18			40	4
	Median Time (Months)	From Filing to Disposition	Criminal Felony	10.9	12.8	12.5	12.7	13.2			11.5	66
Civil <sup>2</sup>			9.2	8.5	8.8	8.2	7.8	8.1			28	4
From Filing to Trial <sup>2</sup> (Civil Only)		33.0	33.9	29.0	25.2	24.5	35.3	48			3	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		51 2.1	44 1.8	56 1.6	60 1.2	140 2.0	637 7.3	44	5		
	Average Number of Felony Defendants Filed per Case		1.4	1.4	1.8	1.5	1.4	1.3				
	Jurors	Avg. Present for Jury Selection	47.2	40.3	37.4	40.7	38.9	36.1				
		Percent Not Selected or Challenged	41.1	44.0	33.8	42.0	37.4	32.2				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	5,928	226	2,083	1,390	43	32	186	187	546	75	591	3	566
Criminal <sup>1</sup>	718	8	265	40	232	49	9	60	6	3	16	3	27

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## WISCONSIN EASTERN

WISCONSIN EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		2,143	2,289	2,155	2,369	2,550	2,563	U.S.	Circuit		
	Terminations		2,008	2,057	2,112	2,262	2,351	2,413				
	Pending		1,616	1,845	1,885	1,983	2,175	2,291				
	Percent Change in Total Filings Current Year Over Earlier Year		19.6	12.0	18.9	8.2	0.5					
Number of Judgeships			5	5	5	5	5	5	56	4		
Vacant Judgeship Months <sup>2</sup>			12.0	4.7	4.8	12.0	12.0	12.0				
Actions per Judgeship	Filings	Total	429	458	431	474	510	513			43	5
		Civil	308	342	333	368	391	410			27	4
		Criminal Felony	80	79	57	65	64	57	78	6		
		Supervised Release Hearings	40	37	41	41	56	46	32	2		
	Pending Cases <sup>2</sup>		323	369	377	397	435	458	51	7		
	Weighted Filings <sup>2</sup>		369	384	342	392	415	402	57	6		
	Terminations		402	411	422	452	470	483	44	5		
	Trials Completed		7	12	9	9	8	6	92	7		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.5	7.7	9.4	11.7	10.9	11.1	65	4	
Civil <sup>2</sup>			6.2	6.2	7.1	6.3	6.0	6.2	11	1		
From Filing to Trial <sup>2</sup> (Civil Only)		31.8	30.2	27.6	33.7	35.6	25.4	26	2			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		55 4.6	57 4.3	68 4.8	74 5.0	88 5.3	108 6.1	36	3		
	Average Number of Felony Defendants Filed per Case		1.7	1.8	1.4	1.8	1.5	1.5				
	Jurors	Avg. Present for Jury Selection	34.1	33.8	32.1	31.8	39.5	40.8				
		Percent Not Selected or Challenged	28.9	37.9	34.8	31.2	28.5	35.7				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,050	242	16	759	17	21	140	107	77	40	263	1	367
Criminal <sup>1</sup>	279	6	79	17	75	44	21	12	-	8	1	6	10

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## WISCONSIN WESTERN

WISCONSIN WESTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,138	1,087	1,125	1,108	1,215	1,395	U.S.	Circuit
	Terminations		1,144	1,094	1,035	1,029	1,092	1,268		
	Pending		986	982	1,074	1,152	1,275	1,403		
	Percent Change in Total Filings Current Year Over Earlier Year		22.6	28.3	24.0	25.9	14.8			
Number of Judgeships			2	2	2	2	2	2	15	1
Vacant Judgeship Months <sup>2</sup>			10.2	0.0	0.0	0.0	0.0	0.0		
Actions per Judgeship	Filings	Total	569	544	563	554	608	698	16	2
		Civil	471	439	465	462	489	571	13	2
		Criminal Felony	72	68	71	66	85	88	52	2
		Supervised Release Hearings	27	37	27	27	34	39	46	4
	Pending Cases <sup>2</sup>		493	491	537	576	638	702	20	3
	Weighted Filings <sup>2</sup>		500	453	464	481	519	582	24	2
	Terminations		572	547	518	515	546	634	16	2
	Trials Completed		17	23	22	17	20	27	15	2
	Median Time (Months)	From Filing to Disposition	Criminal Felony	6.0	6.5	6.7	8.0	7.4	7.2	15
Civil <sup>2</sup>			7.8	8.3	7.0	7.2	7.7	7.5	20	2
From Filing to Trial <sup>2</sup> (Civil Only)		19.6	21.1	20.1	22.0	20.5	24.1	20	1	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		11 1.4	10 1.3	11 1.3	22 2.4	49 4.9	37 3.2	13	1
	Average Number of Felony Defendants Filed per Case		1.1	1.1	1.2	1.3	1.2	1.1		
	Jurors	Avg. Present for Jury Selection	21.8	29.1	20.7	28.8	25.2	13.1		
		Percent Not Selected or Challenged	11.9	23.9	14.8	9.0	8.9	11.5		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,141	144	18	424	4	57	74	66	34	37	141	1	141
Criminal <sup>1</sup>	175	-	56	23	49	11	8	16	-	3	4	-	5

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## ARKANSAS EASTERN

ARKANSAS EASTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,330	2,476	2,562	2,445	2,567	2,760	U.S.	Circuit
	Terminations		5,335	2,537	2,472	2,503	2,451	2,355		
	Pending		2,230	2,164	2,250	2,174	2,280	2,681		
	Percent Change in Total Filings Current Year Over Earlier Year		18.5	11.5	7.7	12.9	7.5			
Number of Judgeships			5	5	5	5	5	5		
Vacant Judgeship Months <sup>2</sup>			6.1	0.0	0.0	0.0	3.0	12.0		
Actions per Judgeship	Filings	Total	466	495	512	489	513	552	29	3
		Civil	370	378	404	394	371	396	32	3
		Criminal Felony	74	95	88	77	122	137	23	8
		Supervised Release Hearings	22	23	21	19	21	19	72	10
	Pending Cases <sup>2</sup>		446	433	450	435	456	536	36	2
	Weighted Filings <sup>2</sup>		389	432	438	415	462	504	32	4
	Terminations		1,067	507	494	501	490	471	49	6
	Trials Completed		26	22	26	19	17	17	44	8
	Median Time (Months)	From Filing to Disposition	Criminal Felony	14.7	17.0	17.0	19.8	18.6	15.4	87
Civil <sup>2</sup>			58.9	10.8	9.5	10.3	10.1	10.3	65	7
From Filing to Trial <sup>2</sup> (Civil Only)		20.3	20.6	25.1	25.8	25.9	23.8	19	3	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		68 4.2	32 2.2	31 2.0	29 1.9	27 1.9	37 2.4	5	2
	Average Number of Felony Defendants Filed per Case		1.8	2.5	1.7	1.7	1.7	1.3		
	Jurors	Avg. Present for Jury Selection	52.1	46.8	43.2	48.4	43.0	42.7		
		Percent Not Selected or Challenged	48.8	43.9	39.1	45.5	44.8	41.1		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,980	184	33	1,038	1	17	169	120	102	14	227	-	75
Criminal <sup>1</sup>	682	43	156	62	267	54	15	27	2	20	1	1	34

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## ARKANSAS WESTERN

ARKANSAS WESTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,511	1,361	1,461	1,251	1,330	1,292	U.S.	Circuit		
	Terminations		1,573	1,508	1,299	1,503	1,427	1,355				
	Pending		1,535	1,385	1,543	1,281	1,179	1,115				
	Percent Change in Total Filings Current Year Over Earlier Year		-14.5	-5.1	-11.6	3.3	-2.9					
Number of Judgeships			3	3	3	3	3	3	70	7		
Vacant Judgeship Months <sup>2</sup>			8.1	0.0	0.0	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	504	454	487	417	443	431			61	9
		Civil	384	349	375	329	352	296			52	5
		Criminal Felony	97	83	100	74	73	110	32	9		
		Supervised Release Hearings	22	21	12	14	18	25	63	9		
	Pending Cases <sup>2</sup>		512	462	514	427	393	372	70	8		
	Weighted Filings <sup>2</sup>		406	362	404	338	353	374	63	9		
	Terminations		524	503	433	501	476	452	57	8		
	Trials Completed		13	13	14	15	11	13	62	9		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.5	8.8	7.4	9.7	9.6	8.6	34	3	
Civil <sup>2</sup>			12.6	11.9	11.6	11.7	11.3	11.2	75	8		
From Filing to Trial <sup>2</sup> (Civil Only)		22.7	26.5	24.7	23.6	20.1	14.3	2	1			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		23 2.0	22 2.0	33 2.8	19 2.1	24 2.9	18 2.6	7	3		
	Average Number of Felony Defendants Filed per Case		1.2	1.2	1.3	1.2	1.4	1.3				
	Jurors	Avg. Present for Jury Selection	46.9	41.0	48.1	38.3	50.5	52.0				
		Percent Not Selected or Challenged	45.3	40.2	30.7	44.9	49.2	42.9				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	888	261	11	292	7	9	60	77	51	12	69	1	38
Criminal <sup>1</sup>	328	1	161	46	30	16	4	37	3	18	3	2	7

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## IOWA NORTHERN

IOWA NORTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,066	1,213	1,511	1,177	1,182	1,088	U.S.	Circuit		
	Terminations		1,132	1,175	1,290	1,358	1,195	1,007				
	Pending		616	651	876	681	660	749				
	Percent Change in Total Filings Current Year Over Earlier Year		2.1	-10.3	-28.0	-7.6	-8.0					
Number of Judgeships			2	2	2	2	2	2	82	9		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	7.4	12.0	20.9	14.2				
Actions per Judgeship	Filings	Total	533	607	756	589	591	544			32	5
		Civil	263	305	433	252	240	212			76	7
		Criminal Felony	188	193	202	191	221	214	8	1		
		Supervised Release Hearings	83	110	121	146	131	119	4	2		
	Pending Cases <sup>2</sup>		308	326	438	341	330	375	67	7		
	Weighted Filings <sup>2</sup>		421	498	570	452	479	472	39	6		
	Terminations		566	588	645	679	598	504	41	5		
	Trials Completed		93	124	88	87	81	84	1	1		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	5.8	6.0	6.0	6.8	6.9	7.9	23	1	
Civil <sup>2</sup>			8.4	5.0	3.5	9.2	7.3	8.7	40	5		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		12 3.1	13 3.2	12 2.1	11 2.6	7 1.9	5 1.2	1	1		
	Average Number of Felony Defendants Filed per Case		1.1	1.2	1.2	1.2	1.2	1.2				
	Jurors	Avg. Present for Jury Selection	41.9	48.6	46.6	36.4	38.4	43.5				
		Percent Not Selected or Challenged	31.4	44.0	30.6	27.5	30.0	34.8				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	424	81	17	144	2	14	11	41	27	14	51	-	22
Criminal <sup>1</sup>	427	2	129	48	144	38	12	20	2	7	16	3	6

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## IOWA SOUTHERN

IOWA SOUTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,143	1,163	1,470	1,310	1,334	1,333	U.S.	Circuit
	Terminations		1,203	1,198	1,290	1,384	1,295	1,382		
	Pending		858	812	991	914	951	894		
	Percent Change in Total Filings Current Year Over Earlier Year		16.6	14.6	-9.3	1.8	-0.1			
Number of Judgeships			3	3	3	3	3	3	57	5
Vacant Judgeship Months <sup>2</sup>			0.0	4.0	7.3	0.0	0.0	0.0		
Actions per Judgeship	Filings	Total	381	388	490	437	445	444	59	8
		Civil	218	214	279	207	187	196	81	8
		Criminal Felony	105	112	130	162	187	169	15	5
		Supervised Release Hearings	58	62	81	68	70	79	13	4
	Pending Cases <sup>2</sup>		286	271	330	305	317	298	85	10
	Weighted Filings <sup>2</sup>		332	341	378	399	416	415	54	8
	Terminations		401	399	430	461	432	461	54	7
	Trials Completed		35	33	31	31	39	48	2	2
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.5	9.1	8.7	9.0	9.3	9.2	39
Civil <sup>2</sup>			10.0	8.4	10.1	9.7	9.8	8.6	38	4
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		23 4.1	27 5.3	23 3.4	20 4.0	19 4.2	23 5.3	27	6
	Average Number of Felony Defendants Filed per Case		1.2	1.3	1.3	1.4	1.3	1.4		
	Jurors	Avg. Present for Jury Selection	43.9	39.2	40.3	41.5	37.6	40.3		
		Percent Not Selected or Challenged	33.9	23.1	26.8	23.8	24.6	23.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	589	49	12	250	8	5	28	53	42	8	92	-	42
Criminal <sup>1</sup>	506	4	268	33	106	20	5	49	5	2	5	5	4

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## MINNESOTA

MINNESOTA			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		5,047	6,243	4,684	5,452	5,797	4,152	U.S.	Circuit
	Terminations		5,138	4,682	4,639	4,140	4,051	3,854		
	Pending		4,427	5,981	6,001	7,305	9,061	9,358		
	Percent Change in Total Filings Current Year Over Earlier Year		-17.7	-33.5	-11.4	-23.8	-28.4			
Number of Judgeships			7	7	7	7	7	7	91	10
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	6.6	31.9	36.0	16.1		
Actions per Judgeship	Filings	Total	721	892	669	779	828	593	24	2
		Civil	638	777	572	651	709	482	18	1
		Criminal Felony	52	84	50	57	51	58	76	10
		Supervised Release Hearings	30	31	47	71	68	53	25	6
	Pending Cases <sup>2</sup>		632	854	857	1,044	1,294	1,337	5	1
	Weighted Filings <sup>2</sup>		590	807	520	593	627	482	36	5
	Terminations		734	669	663	591	579	551	28	1
	Trials Completed		13	14	12	11	12	9	81	10
Median Time (Months)	From Filing to Disposition	Criminal Felony	10.4	10.7	11.7	12.2	9.7	10.2	55	7
		Civil <sup>2</sup>	13.2	2.3	14.8	9.3	11.2	9.1	45	6
	From Filing to Trial <sup>2</sup> (Civil Only)		22.7	27.9	27.7	36.6	32.4	24.9	23	5
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		253 6.3	198 3.7	187 3.4	765 11.0	1,102 12.7	1,821 20.4	85	10
	Average Number of Felony Defendants Filed per Case		1.4	1.7	1.4	1.6	1.5	1.4		
	Jurors	Avg. Present for Jury Selection	39.6	49.9	61.8	56.3	62.4	55.9		
		Percent Not Selected or Challenged	29.8	38.0	42.3	39.2	44.1	36.6		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,373	96	1,228	402	30	40	391	296	138	70	308	16	358
Criminal <sup>1</sup>	402	1	182	17	46	46	38	46	2	9	5	5	5

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## MISSOURI EASTERN

Missouri Eastern			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		3,923	3,350	3,498	4,583	3,990	4,988	U.S.	Circuit
	Terminations		3,767	3,249	4,015	5,314	3,837	4,391		
	Pending		4,363	4,469	3,957	3,233	3,333	3,875		
	Percent Change in Total Filings Current Year Over Earlier Year		27.1	48.9	42.6	8.8	25.0			
Number of Judgeships			8	8	8	8	8	8	5	1
Vacant Judgeship Months <sup>2</sup>			9.0	0.5	0.0	0.0	9.9	16.6		
Actions per Judgeship	Filings	Total	490	419	437	573	499	624	22	1
		Civil	363	282	302	414	309	411	26	2
		Criminal Felony	87	94	99	111	149	171	14	4
		Supervised Release Hearings	41	43	36	47	40	42	40	8
	Pending Cases <sup>2</sup>		545	559	495	404	417	484	46	3
	Weighted Filings <sup>2</sup>		381	390	382	533	474	593	22	1
	Terminations		471	406	502	664	480	549	29	2
	Trials Completed		28	19	17	23	24	25	18	5
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.1	8.8	8.8	9.2	10.1	9.7	48
Civil <sup>2</sup>			8.6	8.2	13.5	6.2	6.2	2.7	1	1
From Filing to Trial <sup>2</sup> (Civil Only)		22.9	35.7	36.2	26.4	30.4	35.3	48	6	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		768 20.5	990 26.9	716 22.7	281 12.4	66 3.3	87 3.7	18	4
	Average Number of Felony Defendants Filed per Case		1.5	1.5	1.3	1.5	1.2	1.2		
	Jurors	Avg. Present for Jury Selection	34.4	38.1	39.5	30.8	37.1	33.3		
		Percent Not Selected or Challenged	26.0	22.8	30.8	23.4	25.5	16.3		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,289	227	613	523	25	91	164	259	837	35	309	1	205
Criminal <sup>1</sup>	1,364	22	327	56	695	91	42	57	9	24	18	6	17

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## MISSOURI WESTERN

MISSOURI WESTERN			12-Month Periods Ending					
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019
Overall Caseload Statistics	Filings <sup>1</sup>		3,510	3,422	3,647	3,232	3,299	3,236
	Terminations		3,583	3,633	3,569	3,629	3,426	3,110
	Pending		3,346	3,137	3,206	2,821	2,699	2,799
	Percent Change in Total Filings Current Year Over Earlier Year		-7.8	-5.4	-11.3	0.1	-1.9	
	Number of Judgeships		6	6	6	6	6	6
Vacant Judgeship Months <sup>2</sup>			14.6	0.0	9.7	0.0	0.0	0.0
Actions per Judgeship	Filings	Total	585	570	608	539	550	539
		Civil	390	380	421	352	366	339
		Criminal Felony	150	149	135	126	127	153
		Supervised Release Hearings	46	42	53	61	57	47
	Pending Cases <sup>2</sup>		558	523	534	470	450	467
	Weighted Filings <sup>2</sup>		519	523	504	462	489	509
	Terminations		597	606	595	605	571	518
	Trials Completed		22	32	36	34	33	27
	Median Time (Months)	From Filing to Disposition	Criminal Felony	14.5	16.9	15.3	15.9	16.4
Civil <sup>2</sup>			10.6	9.9	8.7	8.8	6.6	6.8
From Filing to Trial <sup>2</sup> (Civil Only)		16.4	25.7	20.7	21.5	27.0	23.6	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		50 2.6	62 3.5	76 3.9	83 5.1	82 5.5	112 7.8
	Average Number of Felony Defendants Filed per Case		1.5	1.5	1.3	1.3	1.3	1.3
	Jurors	Avg. Present for Jury Selection	65.0	46.0	38.9	43.1	39.0	43.2
		Percent Not Selected or Challenged	36.8	30.9	30.5	27.3	29.8	19.5

Numerical  
Standing  
Within

U.S.	Circuit
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65	6
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36	6
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43	4
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17	6
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29	7
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48	4
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30	3
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36	3
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15	4
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88	10
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16	2
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18	2
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48	7
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## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,036	305	76	552	12	28	122	207	199	30	263	8	234
Criminal <sup>1</sup>	915	5	278	38	374	71	16	80	4	14	11	2	22

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NEBRASKA

NEBRASKA			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,618	1,495	1,643	1,529	1,616	1,654	U.S.	Circuit		
	Terminations		1,622	1,547	1,514	1,704	1,592	1,538				
	Pending		1,187	1,125	1,252	1,084	1,141	1,237				
	Percent Change in Total Filings Current Year Over Earlier Year		2.2	10.6	0.7	8.2	2.4					
Number of Judgeships			3	3	3	3	3	3	49	4		
Vacant Judgeship Months <sup>2</sup>			0.0	8.9	12.0	12.0	12.0	18.9				
Actions per Judgeship	Filings	Total	539	498	548	510	539	551			30	4
		Civil	213	214	254	217	247	240			68	6
		Criminal Felony	227	192	201	190	184	206	9	2		
		Supervised Release Hearings	99	93	92	103	108	105	7	3		
	Pending Cases <sup>2</sup>		396	375	417	361	380	412	59	5		
	Weighted Filings <sup>2</sup>		486	458	534	474	505	510	29	2		
	Terminations		541	516	505	568	531	513	39	4		
	Trials Completed		17	18	18	21	20	20	35	6		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.9	8.0	9.0	9.0	9.2	8.5	32	2	
Civil <sup>2</sup>			8.8	7.7	7.9	9.9	7.5	8.3	29	3		
From Filing to Trial <sup>2</sup> (Civil Only)		25.9	31.4	32.6	28.0	-	24.4	22	4			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		27 4.7	36 6.2	43 6.3	30 5.6	23 3.9	33 5.1	25	5		
	Average Number of Felony Defendants Filed per Case		1.2	1.2	1.3	1.2	1.2	1.2				
	Jurors	Avg. Present for Jury Selection	31.8	34.5	35.0	28.6	32.7	30.4				
		Percent Not Selected or Challenged	18.7	18.9	21.1	9.4	11.7	9.7				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	721	24	13	180	10	21	39	72	105	17	175	1	64
Criminal <sup>1</sup>	616	1	201	142	75	55	49	58	-	5	7	2	21

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## NORTH DAKOTA

NORTH DAKOTA			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		861	901	991	878	762	706	U.S.	Circuit		
	Terminations		817	816	856	1,007	822	786				
	Pending		779	939	1,057	921	848	752				
	Percent Change in Total Filings Current Year Over Earlier Year		-18.0	-21.6	-28.8	-19.6	-7.3					
Number of Judgeships			2	2	2	2	2	2	79	8		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	9.0	12.0				
Actions per Judgeship	Filings	Total	431	451	496	439	381	353			76	10
		Civil	143	153	206	158	141	132			89	9
		Criminal Felony	213	220	213	191	173	144	20	7		
		Supervised Release Hearings	75	78	77	91	68	78	14	5		
	Pending Cases <sup>2</sup>		390	470	529	461	424	376	66	6		
	Weighted Filings <sup>2</sup>		423	440	482	433	402	340	72	10		
	Terminations		409	408	428	504	411	393	71	10		
	Trials Completed		34	34	33	23	23	18	40	7		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.5	8.7	11.4	10.0	13.6	13.4	79	8	
Civil <sup>2</sup>			13.1	10.0	11.2	21.6	13.0	12.4	83	10		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		19 6.5	18 3.9	102 18.0	41 9.5	44 12.1	49 13.6	68	8		
	Average Number of Felony Defendants Filed per Case		1.4	1.3	1.5	1.5	1.6	1.4				
	Jurors	Avg. Present for Jury Selection	37.3	38.1	39.8	41.2	17.6	40.6				
		Percent Not Selected or Challenged	24.4	22.7	30.7	33.8	23.6	26.9				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	263	15	7	48	1	20	11	35	35	7	40	-	44
Criminal <sup>1</sup>	287	-	139	48	10	9	36	24	-	8	9	-	4

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## SOUTH DAKOTA

SOUTH DAKOTA			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,038	1,133	1,513	1,370	1,312	1,434	U.S.	Circuit
	Terminations		1,088	1,041	1,428	1,264	1,328	1,316		
	Pending		876	914	969	1,034	972	1,083		
	Percent Change in Total Filings Current Year Over Earlier Year		38.2	26.6	-5.2	4.7	9.3			
Number of Judgeships			3	3	3	3	3	3	29	2
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	0.0	0.0		
Actions per Judgeship	Filings	Total	346	378	504	457	437	478	51	7
		Civil	102	128	214	124	105	118	91	10
		Criminal Felony	188	177	192	200	181	199	11	3
		Supervised Release Hearings	56	73	98	133	151	161	2	1
	Pending Cases <sup>2</sup>		292	305	323	345	324	361	73	9
	Weighted Filings <sup>2</sup>		370	399	495	441	379	429	48	7
	Terminations		363	347	476	421	443	439	62	9
	Trials Completed		30	38	37	46	37	47	3	3
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.5	8.6	8.5	9.5	9.8	9.5	42
Civil <sup>2</sup>			14.6	8.7	1.2	12.2	11.7	11.9	81	9
From Filing to Trial <sup>2</sup> (Civil Only)		29.8	21.0	-	-	-	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		49 12.6	58 13.8	57 13.5	53 12.4	54 13.3	59 14.1	72	9
	Average Number of Felony Defendants Filed per Case		1.2	1.1	1.2	1.2	1.2	1.2		
	Jurors	Avg. Present for Jury Selection	39.0	39.6	41.6	46.5	37.7	42.3		
		Percent Not Selected or Challenged	18.9	16.6	21.1	26.1	20.6	21.5		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	353	23	4	119	2	4	5	56	54	4	61	1	20
Criminal <sup>1</sup>	598	-	198	36	77	22	85	97	-	21	24	17	21

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

ALASKA

ALASKA			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		518	510	653	585	676	644	U.S.	Circuit
	Terminations		511	503	553	594	575	695		
	Pending		541	550	639	628	727	676	75	11
	Percent Change in Total Filings Current Year Over Earlier Year		24.3	26.3	-1.4	10.1	-4.7			
Number of Judgeships			3	3	3	3	3	3		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	6.0	12.0	12.0	12.0		
Actions per Judgeship	Filings	Total	173	170	218	195	225	215	90	13
		Civil	105	100	123	120	120	137	87	13
		Criminal Felony	60	66	66	63	90	73	63	8
		Supervised Release Hearings	7	4	29	11	15	5	89	13
	Pending Cases <sup>2</sup>		180	183	213	209	242	225	93	14
	Weighted Filings <sup>2</sup>		187	200	207	204	253	234	89	12
	Terminations		170	168	184	198	192	232	90	13
	Trials Completed		9	11	8	11	14	7	88	14
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.2	10.0	10.5	10.0	9.5	11.5	66
Civil <sup>2</sup>			8.5	9.4	9.4	8.4	8.4	8.5	33	5
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	26.6	-	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		37 11.1	37 11.6	50 12.9	40 10.2	48 11.8	54 14.1	72	10
	Average Number of Felony Defendants Filed per Case		1.4	1.4	1.3	1.1	1.3	1.2		
	Jurors	Avg. Present for Jury Selection	53.7	53.7	78.2	48.8	54.1	72.8		
		Percent Not Selected or Challenged	35.4	33.0	46.8	38.1	24.6	37.1		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	410	48	14	102	2	8	14	48	74	-	56	3	41
Criminal <sup>1</sup>	219	8	77	-	74	12	12	20	-	3	3	3	7

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## ARIZONA

ARIZONA			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		13,745	9,458	11,213	11,718	12,105	15,509	U.S.	Circuit
	Terminations		13,677	9,610	9,506	10,740	9,512	10,527		
	Pending		5,762	5,403	6,922	7,787	10,291	15,072	4	2
	Percent Change in Total Filings Current Year Over Earlier Year		12.8	64.0	38.3	32.4	28.1			
Number of Judgeships			13	13	13	13	13	13		
Vacant Judgeship Months <sup>2</sup>			60.4	0.0	0.0	21.9	26.8	32.4		
Actions per Judgeship	Filings	Total	1,057	728	863	901	931	1,193	4	1
		Civil	573	282	373	429	448	663	7	2
		Criminal Felony	366	341	378	347	369	413	4	1
		Supervised Release Hearings	118	105	112	125	114	117	5	2
	Pending Cases <sup>2</sup>		443	416	532	599	792	1,159	9	2
	Weighted Filings <sup>2</sup>		780	559	685	686	699	819	5	1
	Terminations		1,052	739	731	826	732	810	8	2
	Trials Completed		17	14	12	15	14	10	76	10
	Median Time (Months)	From Filing to Disposition	Criminal Felony	4.7	4.9	4.9	5.3	5.1	4.9	5
Civil <sup>2</sup>			7.9	7.8	6.8	6.8	7.4	7.6	23	3
From Filing to Trial <sup>2</sup> (Civil Only)		30.9	30.0	34.2	32.6	31.3	36.9	54	8	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		75 2.3	92 3.1	98 2.5	107 2.0	140 1.9	762 6.4	39	4
	Average Number of Felony Defendants Filed per Case		1.1	1.1	1.1	1.1	1.1	1.1		
	Jurors	Avg. Present for Jury Selection	48.4	57.3	54.8	53.5	54.9	57.2		
		Percent Not Selected or Challenged	24.5	32.3	29.4	27.0	29.6	31.1		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	8,619	304	4,653	1,964	14	47	194	305	184	96	411	5	442
Criminal <sup>1</sup>	5,363	119	663	3,791	181	115	203	114	6	24	38	58	51

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## CALIFORNIA NORTHERN

CALIFORNIA NORTHERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		7,239	6,884	7,981	8,532	8,659	8,924	U.S.	Circuit
	Terminations		7,751	7,085	6,650	7,178	7,795	8,231		
	Pending		6,611	6,424	7,689	9,020	9,850	10,503		
	Percent Change in Total Filings Current Year Over Earlier Year		23.3	29.6	11.8	4.6	3.1			
Number of Judgeships			14	14	14	14	14	14	45	5
Vacant Judgeship Months <sup>2</sup>			23.8	0.0	0.0	0.0	0.0	0.0		
Actions per Judgeship	Filings	Total	517	492	570	609	619	637	20	5
		Civil	430	406	495	533	536	546	15	4
		Criminal Felony	56	49	38	39	37	45	88	14
		Supervised Release Hearings	31	38	37	38	45	46	32	8
	Pending Cases <sup>2</sup>		472	459	549	644	704	750	16	4
	Weighted Filings <sup>2</sup>		524	486	504	538	594	607	18	4
	Terminations		554	506	475	513	557	588	23	6
	Trials Completed		11	12	11	10	9	10	76	10
	Median Time (Months)	From Filing to Disposition	Criminal Felony	10.9	13.7	13.2	17.3	19.0	14.7	84
Civil <sup>2</sup>			8.2	7.8	7.4	7.4	7.0	8.5	33	5
From Filing to Trial <sup>2</sup> (Civil Only)		31.0	31.6	24.6	26.1	29.7	25.3	25	4	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		411 7.6	477 9.1	496 7.6	501 6.4	550 6.3	1,341 14.4	77	12
	Average Number of Felony Defendants Filed per Case		1.4	1.5	1.4	1.4	1.3	1.3		
	Jurors	Avg. Present for Jury Selection	62.5	60.8	72.9	57.6	67.2	74.7		
		Percent Not Selected or Challenged	38.5	42.9	49.1	38.9	26.7	53.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	7,649	279	1,092	1,315	12	205	437	534	418	697	1,673	28	959
Criminal <sup>1</sup>	632	15	155	44	168	106	39	29	8	16	19	10	23

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## CALIFORNIA EASTERN

CALIFORNIA EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		6,024	5,772	5,477	5,457	5,870	5,124	U.S.	Circuit		
	Terminations		6,210	6,068	5,487	5,727	5,394	5,552				
	Pending		7,920	7,611	7,586	7,336	7,812	7,251				
	Percent Change in Total Filings Current Year Over Earlier Year		-14.9	-11.2	-6.4	-6.1	-12.7					
Number of Judgeships			6	6	6	6	6	6	88	14		
Vacant Judgeship Months <sup>2</sup>			12.0	3.0	3.1	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	1,004	962	913	910	978	854			9	2
		Civil	829	797	773	777	824	701			5	1
		Criminal Felony	119	106	94	83	99	98	43	7		
		Supervised Release Hearings	57	59	46	50	56	55	23	6		
	Pending Cases <sup>2</sup>		1,320	1,269	1,264	1,223	1,302	1,209	8	1		
	Weighted Filings <sup>2</sup>		864	826	770	785	834	740	8	2		
	Terminations		1,035	1,011	915	955	899	925	4	1		
	Trials Completed		16	15	14	19	14	16	48	3		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	16.3	20.0	21.7	23.0	20.4	18.5	90	14	
Civil <sup>2</sup>			8.4	8.5	9.4	9.0	9.5	8.7	40	7		
From Filing to Trial <sup>2</sup> (Civil Only)		47.8	38.8	41.7	44.1	44.8	32.6	44	7			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		796 13.9	814 14.4	814 14.1	754 13.3	801 13.3	766 14.2	75	11		
	Average Number of Felony Defendants Filed per Case		1.4	1.5	1.7	1.6	1.5	1.6				
	Jurors	Avg. Present for Jury Selection	38.7	40.9	35.0	39.2	40.9	35.7				
		Percent Not Selected or Challenged	40.0	35.4	39.2	36.5	33.3	37.4				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	4,205	424	83	1,697	12	127	155	262	173	92	747	3	430
Criminal <sup>1</sup>	582	16	255	61	89	61	18	25	2	14	5	4	32

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## CALIFORNIA CENTRAL

CALIFORNIA CENTRAL			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		16,952	16,275	16,810	16,551	17,347	18,056	U.S.	Circuit		
	Terminations		17,015	16,913	16,719	16,583	16,253	16,960				
	Pending		13,243	12,453	12,539	12,488	13,597	14,682				
	Percent Change in Total Filings Current Year Over Earlier Year		6.5	10.9	7.4	9.1	4.1					
Number of Judgeships			28	28	28	28	28	28	41	4		
Vacant Judgeship Months <sup>2</sup>			3.6	11.6	25.1	48.9	68.7	85.8				
Actions per Judgeship	Filings	Total	605	581	600	591	620	645			18	4
		Civil	521	511	532	518	536	553			14	3
		Criminal Felony	51	38	40	41	50	60	74	10		
		Supervised Release Hearings	33	32	28	33	33	32	51	12		
	Pending Cases <sup>2</sup>		473	445	448	446	486	524	38	7		
	Weighted Filings <sup>2</sup>		551	537	566	567	618	669	11	3		
	Terminations		608	604	597	592	580	606	21	5		
	Trials Completed		14	14	10	13	11	12	66	8		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	13.5	14.2	17.9	14.7	13.2	13.3	78	11	
Civil <sup>2</sup>			5.6	5.5	5.0	4.8	5.0	5.0	3	1		
From Filing to Trial <sup>2</sup> (Civil Only)		21.3	19.8	19.8	20.0	20.0	22.0	14	3			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		612 5.9	573 5.8	556 5.7	540 5.5	552 5.2	612 5.5	30	2		
	Average Number of Felony Defendants Filed per Case		1.7	1.6	1.6	1.5	1.6	1.6				
	Jurors	Avg. Present for Jury Selection	39.3	41.8	54.7	48.1	42.6	48.5				
		Percent Not Selected or Challenged	41.2	41.0	55.2	44.9	43.3	47.9				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	15,490	891	601	1,680	87	721	781	1,783	798	1,307	4,930	13	1,898
Criminal <sup>1</sup>	1,674	24	537	224	161	403	70	37	16	72	13	44	73

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## CALIFORNIA SOUTHERN

CALIFORNIA SOUTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		9,522	8,527	8,169	7,885	10,436	9,474	U.S.	Circuit		
	Terminations		9,483	8,096	8,466	7,438	8,372	8,925				
	Pending		5,878	5,974	5,305	5,545	5,794	5,759				
	Percent Change in Total Filings Current Year Over Earlier Year		-0.5	11.1	16.0	20.2	-9.2					
Number of Judgeships			13	13	13	13	13	13	84	13		
Vacant Judgeship Months <sup>2</sup>			9.9	0.0	0.0	9.0	22.7	49.1				
Actions per Judgeship	Filings	Total	732	656	628	607	803	729			13	3
		Civil	272	244	271	233	227	222			75	10
		Criminal Felony	348	311	268	291	483	413	4	1		
		Supervised Release Hearings	112	101	90	83	93	94	8	3		
	Pending Cases <sup>2</sup>		452	460	408	427	446	443	54	8		
	Weighted Filings <sup>2</sup>		612	554	546	522	649	605	19	5		
	Terminations		729	623	651	572	644	687	14	3		
	Trials Completed		18	16	14	14	15	16	48	3		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	4.8	4.6	5.0	4.6	4.6	4.4	3	1	
Civil <sup>2</sup>			6.8	6.5	9.2	6.6	6.4	6.1	10	2		
From Filing to Trial <sup>2</sup> (Civil Only)		29.1	33.0	28.7	36.5	35.9	27.7	32	5			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		313 9.8	311 9.1	196 6.4	311 10.5	411 14.3	621 23.0	87	14		
	Average Number of Felony Defendants Filed per Case		1.2	1.2	1.2	1.2	1.1	1.1				
	Jurors	Avg. Present for Jury Selection	50.5	49.2	53.6	51.5	50.3	52.3				
		Percent Not Selected or Challenged	40.6	40.2	45.9	42.6	41.7	41.8				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,882	108	96	739	15	70	106	251	207	140	637	5	508
Criminal <sup>1</sup>	5,363	29	1,702	3,023	46	353	58	33	1	15	42	40	21

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

HAWAII

HAWAII			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,197	997	1,051	1,090	933	955	U.S.	Circuit
	Terminations		1,295	1,135	1,007	1,011	1,038	935		
	Pending		1,004	864	908	986	889	907		
	Percent Change in Total Filings Current Year Over Earlier Year		-20.2	-4.2	-9.1	-12.4	2.4			
Number of Judgeships			4	4	4	4	4	4	49	6
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	7.8	12.0	12.0	12.0		
Actions per Judgeship	Filings	Total	299	249	263	273	233	239	89	12
		Civil	181	146	178	177	149	156	86	12
		Criminal Felony	75	46	32	48	40	47	86	13
		Supervised Release Hearings	44	57	53	47	44	36	47	11
	Pending Cases <sup>2</sup>		251	216	227	247	222	227	92	13
	Weighted Filings <sup>2</sup>		305	213	211	242	215	219	90	13
	Terminations		324	284	252	253	260	234	89	12
	Trials Completed		12	13	12	13	14	14	59	6
	Median Time (Months)	From Filing to Disposition	Criminal Felony	10.4	10.3	10.8	11.0	12.3	9.8	53
Civil <sup>2</sup>			6.5	9.5	8.9	8.3	8.1	10.1	62	10
From Filing to Trial <sup>2</sup> (Civil Only)		-	27.3	-	-	24.6	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		23 4.1	33 6.2	22 3.6	32 4.9	28 5.1	37 6.8	42	5
	Average Number of Felony Defendants Filed per Case		1.4	1.3	1.2	1.7	1.4	1.3		
	Jurors	Avg. Present for Jury Selection	151.3	69.5	67.4	63.7	68.7	112.9		
		Percent Not Selected or Challenged	51.2	34.7	45.0	46.2	37.8	59.3		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	623	25	14	112	-	39	35	67	96	21	139	1	74
Criminal <sup>1</sup>	188	-	126	7	10	18	5	7	1	2	3	7	2

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

IDAHO

IDAHO			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		889	960	1,083	991	1,130	1,099	U.S.	Circuit		
	Terminations		951	953	945	1,022	1,131	1,040				
	Pending		995	989	1,116	1,076	1,069	1,119				
	Percent Change in Total Filings Current Year Over Earlier Year		23.6	14.5	1.5	10.9	-2.7					
Number of Judgeships			2	2	2	2	2	2	69	8		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	12.0	12.0	0.4	0.0				
Actions per Judgeship	Filings	Total	445	480	542	496	565	550			31	6
		Civil	268	278	337	282	285	272			59	9
		Criminal Felony	133	162	161	164	221	227	7	3		
		Supervised Release Hearings	44	41	44	51	59	51	26	7		
	Pending Cases <sup>2</sup>		498	495	558	538	535	560	32	5		
	Weighted Filings <sup>2</sup>		420	469	520	464	547	545	27	6		
	Terminations		476	477	473	511	566	520	35	9		
	Trials Completed		19	15	17	23	18	16	48	3		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.2	8.2	8.5	8.1	7.2	8.1	27	5	
Civil <sup>2</sup>			11.9	10.8	11.2	11.9	14.2	9.8	55	9		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		52 7.5	63 9.3	77 10.0	64 8.4	57 8.4	71 10.8	61	9		
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.4	1.2	1.2	1.2				
	Jurors	Avg. Present for Jury Selection	56.3	40.4	51.6	47.8	39.4	35.2				
		Percent Not Selected or Challenged	41.5	27.7	43.2	17.0	33.3	24.0				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	544	56	10	140	1	16	25	73	30	14	85	-	94
Criminal <sup>1</sup>	453	10	143	101	71	43	28	35	3	8	1	-	10

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

MONTANA			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,377	1,166	1,342	1,171	1,357	1,255	U.S.	Circuit
	Terminations		1,294	1,239	1,163	1,151	1,278	1,346		
	Pending		936	857	1,027	1,043	1,112	1,030		
	Percent Change in Total Filings Current Year Over Earlier Year		-8.9	7.6	-6.5	7.2	-7.5			
Number of Judgeships			3	3	3	3	3	3	80	12
Vacant Judgeship Months <sup>2</sup>			10.7	0.0	0.0	0.0	0.0	0.0		
Actions per Judgeship	Filings	Total	459	389	447	390	452	418	63	11
		Civil	270	193	231	213	254	197	79	11
		Criminal Felony	147	127	149	116	128	137	23	4
		Supervised Release Hearings	41	68	67	61	70	84	12	5
	Pending Cases <sup>2</sup>		312	286	342	348	371	343	78	11
	Weighted Filings <sup>2</sup>		460	381	437	375	398	383	59	10
	Terminations		431	413	388	384	426	449	58	11
	Trials Completed		40	44	30	33	31	42	5	1
	Median Time (Months)	From Filing to Disposition	Criminal Felony	6.7	7.8	7.8	8.8	8.5	8.0	24
Civil <sup>2</sup>			9.2	9.9	8.6	11.0	9.5	10.6	68	11
From Filing to Trial <sup>2</sup> (Civil Only)		-	22.5	-	25.8	-	19.5	8	2	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		48 8.4	46 8.7	58 9.5	57 8.6	53 7.4	59 9.9	57	8
	Average Number of Felony Defendants Filed per Case		1.4	1.3	1.3	1.2	1.2	1.2		
	Jurors	Avg. Present for Jury Selection	44.2	45.1	45.8	46.7	51.9	32.9		
		Percent Not Selected or Challenged	35.0	31.8	35.2	33.8	29.7	28.9		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	592	28	20	211	7	26	36	83	65	2	55	-	59
Criminal <sup>1</sup>	409	3	170	19	89	19	43	47	2	6	2	-	9

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

NEVADA

NEVADA			12-Month Periods Ending					
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019
Overall Caseload Statistics	Filings <sup>1</sup>		3,707	3,742	4,258	4,822	3,953	3,787
	Terminations		3,726	3,631	3,394	3,973	4,230	4,290
	Pending		4,456	4,532	5,368	6,170	5,892	5,378
	Percent Change in Total Filings Current Year Over Earlier Year		2.2	1.2	-11.1	-21.5	-4.2	
	Number of Judgeships		7	7	7	7	7	7
Vacant Judgeship Months <sup>2</sup>			11.5	0.0	4.9	12.0	12.0	24.0
Actions per Judgeship	Filings	Total	530	535	608	689	565	541
		Civil	417	432	502	575	442	428
		Criminal Felony	80	71	72	75	83	71
		Supervised Release Hearings	32	32	34	39	40	42
	Pending Cases <sup>2</sup>		637	647	767	881	842	768
	Weighted Filings <sup>2</sup>		484	497	534	636	520	483
	Terminations		532	519	485	568	604	613
	Trials Completed		20	15	13	13	11	17
	Median Time (Months)	From Filing to Disposition	Criminal Felony	11.7	13.8	11.7	12.6	12.9
Civil <sup>2</sup>			8.9	9.0	9.3	8.5	8.6	10.8
From Filing to Trial <sup>2</sup> (Civil Only)		40.7	36.4	47.4	43.7	52.5	37.1	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		361 10.9	364 10.5	401 9.4	419 8.3	526 11.2	671 15.8
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.3	1.4	1.3	1.3
	Jurors	Avg. Present for Jury Selection	56.0	56.3	50.9	53.9	58.3	56.8
		Percent Not Selected or Challenged	30.8	41.3	29.4	37.4	31.6	28.0

Numerical  
Standing  
Within

U.S. Circuit

73 9

34 8

25 6

65 9

40 10

14 3

34 7

17 4

44 2

80 12

70 12

55 9

80 13

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,994	79	46	774	34	87	80	391	305	124	468	10	596
Criminal <sup>1</sup>	495	-	150	104	156	26	22	22	-	3	4	1	7

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## OREGON

OREGON			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		3,342	3,183	3,577	3,068	3,241	3,228	U.S.	Circuit
	Terminations		3,427	3,317	3,284	3,217	3,131	3,052		
	Pending		2,938	2,810	3,084	2,949	3,058	3,188		
	Percent Change in Total Filings Current Year Over Earlier Year		-3.4	1.4	-9.8	5.2	-0.4			
Number of Judgeships			6	6	6	6	6	6	58	7
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	11.1	12.0		
Actions per Judgeship	Filings	Total	557	531	596	511	540	538	38	9
		Civil	383	376	432	351	368	351	39	7
		Criminal Felony	112	86	98	81	83	100	42	6
		Supervised Release Hearings	62	69	67	79	89	87	11	4
	Pending Cases <sup>2</sup>		490	468	514	492	510	531	37	6
	Weighted Filings <sup>2</sup>		473	440	498	422	426	433	45	9
	Terminations		571	553	547	536	522	509	40	10
	Trials Completed		18	11	12	11	8	9	81	13
	Median Time (Months)	From Filing to Disposition	Criminal Felony	10.2	11.2	12.7	11.3	13.5	12.2	69
Civil <sup>2</sup>			11.4	10.8	9.8	10.9	10.7	11.2	75	13
From Filing to Trial <sup>2</sup> (Civil Only)		22.8	23.4	20.5	22.7	27.3	28.3	33	6	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		103 4.7	108 4.9	106 4.4	112 4.9	158 6.6	184 7.4	46	7
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.4	1.3	1.1	1.2		
	Jurors	Avg. Present for Jury Selection	28.2	26.1	27.6	33.6	30.7	37.3		
		Percent Not Selected or Challenged	22.0	16.3	23.9	23.1	24.3	24.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,107	487	34	523	20	48	120	175	143	48	314	1	194
Criminal <sup>1</sup>	600	9	177	110	96	67	43	45	4	7	12	5	25

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## WASHINGTON EASTERN

WASHINGTON EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,887	1,736	1,942	1,856	1,981	2,175	U.S.	Circuit		
	Terminations		2,074	1,837	1,803	1,848	1,897	2,132				
	Pending		1,186	1,090	1,235	1,224	1,285	1,297				
	Percent Change in Total Filings Current Year Over Earlier Year		15.3	25.3	12.0	17.2	9.8					
Number of Judgeships			4	4	4	4	4	4	27	3		
Vacant Judgeship Months <sup>2</sup>			17.4	0.0	0.0	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	472	434	486	464	495	544			32	7
		Civil	205	196	241	238	251	293			54	8
		Criminal Felony	123	92	99	97	100	103			38	5
		Supervised Release Hearings	144	146	146	130	145	148			3	1
	Pending Cases <sup>2</sup>		297	273	309	306	321	324	80	12		
	Weighted Filings <sup>2</sup>		315	269	298	299	304	302	81	11		
	Terminations		519	459	451	462	474	533	32	8		
	Trials Completed		19	20	18	20	14	13	62	7		
Median Time (Months)	From Filing to Disposition	Criminal Felony	8.1	11.8	10.4	9.0	8.5	9.7	48	7		
		Civil <sup>2</sup>	12.2	9.9	9.6	9.1	9.8	9.7	52	8		
	From Filing to Trial <sup>2</sup> (Civil Only)		29.3	-	-	-	-	-	-	-		
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		36 5.2	43 6.3	41 5.1	43 5.4	49 5.8	50 5.8	34	3		
	Average Number of Felony Defendants Filed per Case		1.6	1.4	1.4	1.3	1.3	1.2				
	Jurors	Avg. Present for Jury Selection	37.6	44.6	74.9	43.1	43.5	54.5				
		Percent Not Selected or Challenged	26.2	28.0	47.5	36.2	28.8	36.1				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,171	600	12	254	2	11	18	46	32	5	99	3	89
Criminal <sup>1</sup>	413	5	96	142	52	40	25	35	1	3	5	4	5

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## WASHINGTON WESTERN

WASHINGTON WESTERN			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		4,198	3,887	3,931	3,775	3,934	3,766	U.S.	Circuit
	Terminations		4,429	3,921	3,875	3,808	3,657	3,762		
	Pending		2,792	2,755	2,800	2,738	3,016	2,991		
	Percent Change in Total Filings Current Year Over Earlier Year		-10.3	-3.1	-4.2	-0.2	-4.3			
Number of Judgeships			7	7	7	7	7	7	74	10
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	9.9	36.0	36.0	40.0		
Actions per Judgeship	Filings	Total	600	555	562	539	562	538	38	9
		Civil	486	446	450	432	443	442	21	5
		Criminal Felony	69	66	62	55	72	51	82	12
		Supervised Release Hearings	45	43	50	52	47	45	34	9
	Pending Cases <sup>2</sup>		399	394	400	391	431	427	56	9
	Weighted Filings <sup>2</sup>		489	483	475	462	494	458	41	8
	Terminations		633	560	554	544	522	537	31	7
	Trials Completed		17	16	18	18	14	12	66	8
Median Time (Months)	From Filing to Disposition	Criminal Felony	8.1	8.6	8.2	8.6	8.7	9.1	38	6
		Civil <sup>2</sup>	7.0	7.0	6.5	6.7	6.7	7.6	23	3
	From Filing to Trial <sup>2</sup> (Civil Only)		20.5	18.6	17.2	19.0	19.5	19.3	6	1
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		77 3.5	69 3.2	65 3.0	67 3.1	76 3.2	73 3.1	11	1
	Average Number of Felony Defendants Filed per Case		1.3	1.3	1.4	1.4	1.5	1.3		
	Jurors	Avg. Present for Jury Selection	34.8	33.3	47.1	40.4	38.0	36.7		
		Percent Not Selected or Challenged	31.1	28.9	36.3	36.7	30.3	23.4		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,094	661	80	531	-	70	236	367	268	108	409	8	356
Criminal <sup>1</sup>	354	1	140	39	57	39	10	31	1	10	10	3	13

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

GUAM

GUAM			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		85	118	157	152	126	190	U.S.	Circuit		
	Terminations		134	122	117	135	113	106				
	Pending		159	155	182	208	258	366				
	Percent Change in Total Filings Current Year Over Earlier Year		123.5	61.0	21.0	25.0	50.8					
Number of Judgeships			1	1	1	1	1	1	2	1		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	85	118	157	152	126	190			92	14
		Civil	20	38	81	98	82	133			88	14
		Criminal Felony	56	78	74	50	43	57	78	11		
		Supervised Release Hearings	9	2	2	4	1	0	94	15		
	Pending Cases <sup>2</sup>		159	155	182	208	258	366	71	10		
	Weighted Filings <sup>2</sup>		-	-	-	-	-	-	-	-		
	Terminations		134	122	117	135	113	106	93	14		
	Trials Completed		16	6	6	8	9	10	76	10		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	18.2	21.8	8.3	20.0	30.1	32.0	94	15	
Civil <sup>2</sup>			22.7	20.5	8.0	10.9	17.6	14.7	88	15		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		10 20.0	9 14.8	10 11.5	13 10.2	13 7.5	19 6.8	42	5		
	Average Number of Felony Defendants Filed per Case		1.4	1.5	1.5	1.1	1.3	1.1				
	Jurors	Avg. Present for Jury Selection	257.0	132.5	113.3	218.0	355.5	154.8				
		Percent Not Selected or Challenged	78.6	46.8	50.1	61.0	78.0	67.0				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	133	-	1	4	1	-	3	5	109	-	6	-	4
Criminal <sup>1</sup>	57	-	26	5	8	1	1	3	2	9	1	-	1

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## NORTHERN MARIANAS

NORTHERN MARIANAS			12-Month Periods Ending					
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019
Overall Caseload Statistics	Filings <sup>1</sup>		90	60	80	62	60	38
	Terminations		96	53	75	65	72	48
	Pending		94	98	95	88	78	68
	Percent Change in Total Filings Current Year Over Earlier Year		-57.8	-36.7	-52.5	-38.7	-36.7	
	Number of Judgeships		1	1	1	1	1	1
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	0.0	0.0
Actions per Judgeship	Filings	Total	90	60	80	62	60	38
		Civil	34	25	34	22	33	22
		Criminal Felony	29	17	22	24	14	13
		Supervised Release Hearings	27	18	24	16	13	3
	Pending Cases <sup>2</sup>		94	98	95	88	78	68
	Weighted Filings <sup>2</sup>		-	-	-	-	-	-
	Terminations		96	53	75	65	72	48
	Trials Completed		11	6	13	2	4	3
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.4	11.1	8.7	8.1	12.0
Civil <sup>2</sup>			12.6	14.8	17.0	10.6	12.6	13.9
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		16 27.1	20 30.8	22 33.3	24 42.9	20 46.5	15 45.5
	Average Number of Felony Defendants Filed per Case		1.2	1.2	1.5	1.3	1.7	1.3
	Jurors	Avg. Present for Jury Selection	65.3	263.5	53.0	69.0	54.0	
		Percent Not Selected or Challenged	38.3	59.0	11.3	16.7	11.1	

Numerical  
Standing  
Within

U.S.	Circuit
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92	15
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94	15
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94	15
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94	15
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92	14
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94	15
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94	15
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94	15
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16	3
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86	14
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92	15
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## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	22	-	-	4	-	-	3	3	3	-	6	-	3
Criminal <sup>1</sup>	13	-	2	7	-	2	-	-	-	-	-	-	2

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

COLORADO			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		4,353	3,829	3,807	3,771	3,984	4,346	U.S.	Circuit
	Terminations		4,252	3,933	3,682	3,747	3,789	4,046		
	Pending		3,298	3,155	3,096	3,093	3,283	3,561		
	Percent Change in Total Filings Current Year Over Earlier Year		-0.2	13.5	14.2	15.2	9.1			
Number of Judgeships			7	7	7	7	7	7	31	2
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	2.6	12.0	12.0	13.1		
Actions per Judgeship	Filings	Total	622	547	544	539	569	621	23	2
		Civil	518	441	453	452	461	509	16	1
		Criminal Felony	76	77	63	69	84	90	51	4
		Supervised Release Hearings	28	29	27	18	24	22	66	7
	Pending Cases <sup>2</sup>		471	451	442	442	469	509	40	1
	Weighted Filings <sup>2</sup>		566	512	498	542	567	635	15	1
	Terminations		607	562	526	535	541	578	24	2
	Trials Completed		22	19	21	17	21	20	35	3
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.8	9.5	9.6	8.6	8.5	10.4	57
Civil <sup>2</sup>			5.7	7.8	8.3	7.0	7.7	7.7	26	1
From Filing to Trial <sup>2</sup> (Civil Only)		29.3	27.0	25.9	25.0	27.8	30.3	38	3	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		87 3.4	68 2.9	53 2.1	57 2.3	75 2.8	99 3.5	17	2
	Average Number of Felony Defendants Filed per Case		1.3	1.4	1.3	1.3	1.3	1.3		
	Jurors	Avg. Present for Jury Selection	34.0	30.5	33.4	36.2	44.8	34.1		
		Percent Not Selected or Challenged	42.8	38.8	31.6	40.3	43.9	26.2		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,564	223	49	836	33	34	192	689	266	227	646	6	363
Criminal <sup>1</sup>	624	46	179	103	120	56	50	19	1	17	7	8	18

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## KANSAS

KANSAS			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,306	5,081	3,079	2,184	2,292	2,238	U.S.	Circuit
	Terminations		2,469	3,920	2,544	2,410	3,105	2,878		
	Pending		2,157	3,321	3,850	3,622	2,820	2,138		
	Percent Change in Total Filings Current Year Over Earlier Year		-2.9	-56.0	-27.3	2.5	-2.4			
Number of Judgeships			6	6	6	6	6	6	67	6
Vacant Judgeship Months <sup>2</sup>			12.2	3.0	12.0	14.0	24.0	12.0		
Actions per Judgeship	Filings	Total	384	847	513	364	382	373	72	5
		Civil	239	696	368	236	247	245	64	3
		Criminal Felony	108	107	103	82	92	83	55	5
		Supervised Release Hearings	37	44	42	47	44	45	34	4
	Pending Cases <sup>2</sup>		360	554	642	604	470	356	76	5
	Weighted Filings <sup>2</sup>		367	726	382	330	356	330	74	4
	Terminations		412	653	424	402	518	480	47	3
	Trials Completed		22	22	22	19	21	23	22	1
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.1	9.5	10.6	11.3	11.2	11.0	64
Civil <sup>2</sup>			9.0	2.0	8.7	8.2	17.9	18.2	90	8
From Filing to Trial <sup>2</sup> (Civil Only)		26.6	24.3	25.5	23.8	24.5	25.0	24	1	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		136 10.2	119 4.6	75 2.5	65 2.2	352 16.9	158 10.8	61	7
	Average Number of Felony Defendants Filed per Case		1.4	1.4	1.5	1.3	1.4	1.3		
	Jurors	Avg. Present for Jury Selection	52.0	36.0	39.3	42.9	50.2	36.7		
		Percent Not Selected or Challenged	46.2	25.2	32.5	37.2	44.0	27.5		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,470	104	34	397	28	69	70	146	191	24	282	-	125
Criminal <sup>1</sup>	497	27	147	47	125	53	21	19	13	15	15	4	11

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## NEW MEXICO

NEW MEXICO			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		6,148	6,240	7,479	5,596	5,913	5,813	U.S.	Circuit		
	Terminations		6,017	6,423	7,022	5,992	6,029	5,496				
	Pending		3,072	2,843	3,345	2,939	2,825	3,124				
	Percent Change in Total Filings Current Year Over Earlier Year		-5.4	-6.8	-22.3	3.9	-1.7					
Number of Judgeships			7	7	7	7	7	7	63	5		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	4.7	23.1				
Actions per Judgeship	Filings	Total	878	891	1,068	799	845	830			10	1
		Civil	181	165	201	194	175	175			85	7
		Criminal Felony	603	634	782	508	581	561	2	1		
		Supervised Release Hearings	94	93	85	97	89	94	8	1		
	Pending Cases <sup>2</sup>		439	406	478	420	404	446	53	3		
	Weighted Filings <sup>2</sup>		604	577	695	531	530	547	26	2		
	Terminations		860	918	1,003	856	861	785	10	1		
	Trials Completed		15	14	14	16	16	16	48	4		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	1.2	1.0	1.0	1.4	1.0	1.1	1	1	
Civil <sup>2</sup>			10.2	11.2	10.5	10.3	9.8	10.1	62	6		
From Filing to Trial <sup>2</sup> (Civil Only)		24.8	27.4	-	-	-	26.1	29	2			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		66 4.9	78 6.2	94 6.7	81 5.9	75 6.0	102 7.9	49	5		
	Average Number of Felony Defendants Filed per Case		1.1	1.1	1.1	1.1	1.0	1.0				
	Jurors	Avg. Present for Jury Selection	49.8	43.5	56.4	44.7	59.7	53.9				
		Percent Not Selected or Challenged	26.2	24.8	23.1	24.4	25.7	23.2				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,228	208	24	294	19	20	37	181	153	9	207	1	75
Criminal <sup>1</sup>	3,929	38	333	3,035	167	91	141	53	-	25	10	13	23

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## OKLAHOMA NORTHERN

OKLAHOMA NORTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,156	1,180	1,111	1,158	1,043	1,236	U.S.	Circuit		
	Terminations		1,123	1,117	1,100	1,284	1,074	1,051				
	Pending		962	1,019	1,013	887	847	1,023				
	Percent Change in Total Filings Current Year Over Earlier Year		6.9	4.7	11.3	6.7	18.5					
Number of Judgeships			3.5	3.5	3.5	3.5	3.5	3.5	11	1		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	330	337	317	331	298	353			76	6
		Civil	237	229	232	211	189	201			78	6
		Criminal Felony	74	81	50	49	63	105	37	3		
		Supervised Release Hearings	19	27	35	71	47	47	29	3		
	Pending Cases <sup>2</sup>		275	291	289	253	242	292	88	6		
	Weighted Filings <sup>2</sup>		298	308	260	263	260	327	76	5		
	Terminations		321	319	314	367	307	300	83	7		
	Trials Completed		12	12	12	4	7	12	66	6		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	6.2	5.8	8.0	6.9	7.0	5.6	8	2	
Civil <sup>2</sup>			9.4	10.7	10.3	10.2	9.4	9.7	52	4		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		29 3.6	28 3.5	34 4.0	35 4.7	51 7.6	46 6.3	38	4		
	Average Number of Felony Defendants Filed per Case		1.2	1.4	1.4	1.3	1.3	1.6				
	Jurors	Avg. Present for Jury Selection	41.3	50.8	42.2	40.2	41.4	42.0				
		Percent Not Selected or Challenged	35.8	25.3	20.9	23.4	30.0	35.7				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	704	172	25	93	4	17	39	107	75	10	107	-	55
Criminal <sup>1</sup>	369	2	182	34	62	26	7	25	3	10	5	2	11

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## OKLAHOMA EASTERN

OKLAHOMA EASTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		662	682	728	663	630	564	U.S.	Circuit		
	Terminations		693	698	689	708	695	576				
	Pending		661	647	688	650	597	584				
	Percent Change in Total Filings Current Year Over Earlier Year		-14.8	-17.3	-22.5	-14.9	-10.5					
Number of Judgeships			1.5	1.5	1.5	1.5	1.5	1.5	86	8		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	10.9	12.0				
Actions per Judgeship	Filings	Total	441	455	485	442	420	376			71	4
		Civil	360	373	382	366	295	281			57	2
		Criminal Felony	63	63	85	50	105	75	62	6		
		Supervised Release Hearings	18	19	19	26	19	19	72	8		
	Pending Cases <sup>2</sup>		441	431	459	433	398	389	63	4		
	Weighted Filings <sup>2</sup>		355	367	388	350	396	321	77	6		
	Terminations		462	465	459	472	463	384	72	5		
	Trials Completed		10	14	13	12	8	16	48	4		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.7	7.9	6.6	7.5	6.5	7.6	19	4	
Civil <sup>2</sup>			13.8	13.8	13.3	12.7	11.1	11.9	81	7		
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		10 1.8	12 2.1	14 2.3	10 1.7	13 2.7	15 3.2	13	1		
	Average Number of Felony Defendants Filed per Case		1.4	1.3	1.4	1.2	1.4	1.3				
	Jurors	Avg. Present for Jury Selection	29.4	38.3	30.1	31.1	23.6	26.3				
		Percent Not Selected or Challenged	19.9	23.3	27.8	27.6	19.5	14.2				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	422	171	7	70	1	9	5	42	36	1	65	-	15
Criminal <sup>1</sup>	112	7	32	1	40	9	5	3	4	2	-	-	9

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## OKLAHOMA WESTERN

OKLAHOMA WESTERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,936	2,002	1,929	1,958	1,865	1,838	U.S.	Circuit		
	Terminations		1,862	1,887	2,011	1,941	1,928	1,834				
	Pending		1,496	1,609	1,516	1,527	1,464	1,463				
	Percent Change in Total Filings Current Year Over Earlier Year		-5.1	-8.2	-4.7	-6.1	-1.4					
Number of Judgeships			6	6	6	6	6	6	61	4		
Vacant Judgeship Months <sup>2</sup>			12.0	9.9	26.6	36.0	27.8	21.7				
Actions per Judgeship	Filings	Total	323	334	322	326	311	306			83	7
		Civil	239	251	246	248	226	209			77	5
		Criminal Felony	58	56	46	48	61	69			67	7
		Supervised Release Hearings	26	27	30	31	25	29			55	6
	Pending Cases <sup>2</sup>		249	268	253	255	244	244	90	7		
	Weighted Filings <sup>2</sup>		293	309	279	291	289	279	85	7		
	Terminations		310	315	335	324	321	306	81	6		
	Trials Completed		23	24	23	19	21	23	22	1		
Median Time (Months)	From Filing to Disposition	Criminal Felony	6.2	6.5	9.6	8.8	8.6	8.8	35	6		
		Civil <sup>2</sup>	8.4	7.8	9.0	7.7	8.4	8.5	33	2		
	From Filing to Trial <sup>2</sup> (Civil Only)		20.9	23.6	14.5	17.3	20.9	-	-	-		
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		33 2.9	63 5.1	47 3.9	36 3.0	49 4.5	52 5.3	27	3		
	Average Number of Felony Defendants Filed per Case		1.3	1.6	1.4	1.4	1.4	1.5				
	Jurors	Avg. Present for Jury Selection	28.1	29.4	29.8	26.4	27.9	51.9				
		Percent Not Selected or Challenged	28.6	26.4	29.9	40.3	29.0	45.8				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,252	205	40	264	2	32	43	212	143	12	213	1	85
Criminal <sup>1</sup>	411	-	174	67	97	11	20	23	3	5	1	3	7

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

UTAH

UTAH			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		2,104	2,055	2,327	2,522	2,463	2,253	U.S.	Circuit
	Terminations		2,288	2,138	1,967	2,355	2,505	2,305		
	Pending		2,102	2,008	2,343	2,474	2,401	2,331		
	Percent Change in Total Filings Current Year Over Earlier Year		7.1	9.6	-3.2	-10.7	-8.5			
Number of Judgeships			5	5	5	5	5	5	83	7
Vacant Judgeship Months <sup>2</sup>			5.9	11.6	3.0	12.0	12.0	15.6		
Actions per Judgeship	Filings	Total	421	411	465	504	493	451	56	3
		Civil	235	217	272	295	263	235	70	4
		Criminal Felony	124	131	151	155	175	157	16	2
		Supervised Release Hearings	61	63	42	55	55	59	22	2
	Pending Cases <sup>2</sup>		420	402	469	495	480	466	49	2
	Weighted Filings <sup>2</sup>		413	379	464	520	506	457	42	3
	Terminations		458	428	393	471	501	461	54	4
	Trials Completed		19	13	14	16	15	11	72	7
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.5	5.7	5.5	6.0	6.4	7.8	21
Civil <sup>2</sup>			11.1	12.3	10.7	9.6	8.4	10.0	59	5
From Filing to Trial <sup>2</sup> (Civil Only)		38.0	37.3	31.9	31.2	43.9	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		109 7.1	138 9.6	143 8.3	153 8.3	155 9.4	213 14.1	72	8
	Average Number of Felony Defendants Filed per Case		1.3	1.1	1.2	1.2	1.2	1.2		
	Jurors	Avg. Present for Jury Selection	45.1	48.5	53.7	53.5	47.2	41.9		
		Percent Not Selected or Challenged	33.9	39.7	37.9	40.1	25.1	19.8		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,173	83	32	103	2	19	146	179	104	111	219	1	174
Criminal <sup>1</sup>	781	8	266	156	179	33	39	55	3	5	16	5	16

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## WYOMING

WYOMING			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		726	633	737	718	582	587	U.S.	Circuit		
	Terminations		745	620	681	691	605	523				
	Pending		632	646	703	735	716	693				
	Percent Change in Total Filings Current Year Over Earlier Year		-19.1	-7.3	-20.4	-18.2	0.9					
Number of Judgeships			3	3	3	3	3	3	53	3		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	0.0	0.0	0.0				
Actions per Judgeship	Filings	Total	242	211	246	239	194	196			91	8
		Civil	96	79	108	86	70	88			93	8
		Criminal Felony	94	86	77	93	71	68	68	8		
		Supervised Release Hearings	52	46	61	61	53	40	44	5		
	Pending Cases <sup>2</sup>		211	215	234	245	239	231	91	8		
	Weighted Filings <sup>2</sup>		224	197	202	212	165	179	91	8		
	Terminations		248	207	227	230	202	174	91	8		
	Trials Completed		13	13	12	13	7	7	88	8		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	5.6	5.1	5.4	5.7	5.0	5.7	9	3	
Civil <sup>2</sup>			10.8	12.2	10.8	9.5	11.4	9.5	50	3		
From Filing to Trial <sup>2</sup> (Civil Only)		-	15.6	-	-	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		2.8	5.2	4.1	8.3	10.4	21.8	53	6		
	Average Number of Felony Defendants Filed per Case		1.3	1.4	1.2	1.3	1.2	1.1				
	Jurors	Avg. Present for Jury Selection	36.7	33.9	40.2	30.4	36.1	39.6				
		Percent Not Selected or Challenged	34.2	38.5	37.5	37.2	34.8	30.9				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	265	4	9	53	4	6	4	36	81	2	33	-	33
Criminal <sup>1</sup>	199	2	51	31	45	14	10	33	-	4	4	-	5

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## ALABAMA NORTHERN

ALABAMA NORTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		2,988	2,872	3,036	2,843	2,845	3,089	U.S.	Circuit		
	Terminations		6,335	2,956	3,093	2,680	2,852	2,955				
	Pending		3,137	3,057	3,007	3,178	3,187	3,313				
	Percent Change in Total Filings Current Year Over Earlier Year		3.4	7.6	1.7	8.7	8.6					
Number of Judgeships			8	8	8	8	8	8	33	4		
Vacant Judgeship Months <sup>2</sup>			13.4	4.7	24.0	24.0	24.3	14.7				
Actions per Judgeship	Filings	Total	374	359	380	355	356	386			70	9
		Civil	310	297	314	274	268	275			58	8
		Criminal Felony	49	45	48	64	69	84	53	6		
		Supervised Release Hearings	15	17	18	17	19	27	59	6		
	Pending Cases <sup>2</sup>		392	382	376	397	398	414	58	6		
	Weighted Filings <sup>2</sup>		340	323	342	340	339	376	61	7		
	Terminations		792	370	387	335	357	369	73	8		
	Trials Completed		22	21	17	28	16	20	35	6		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.1	6.5	7.0	7.3	6.9	7.4	16	5	
Civil <sup>2</sup>			22.7	11.0	10.2	10.6	10.6	11.3	78	9		
From Filing to Trial <sup>2</sup> (Civil Only)		22.2	26.0	34.8	14.8	35.5	36.6	52	5			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		223 8.3	230 8.9	259 10.3	289 11.2	348 13.7	395 15.7	79	9		
	Average Number of Felony Defendants Filed per Case		1.1	1.2	1.3	1.2	1.2	1.2				
	Jurors	Avg. Present for Jury Selection	35.1	33.7	41.8	39.8	34.3	42.9				
		Percent Not Selected or Challenged	29.3	31.9	38.9	38.9	35.9	40.7				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	2,198	199	69	560	5	47	129	213	188	19	585	5	179
Criminal <sup>1</sup>	671	15	118	47	313	92	20	25	4	17	3	5	12

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## ALABAMA MIDDLE

ALABAMA MIDDLE			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,447	1,391	1,308	1,226	1,492	1,180	U.S.	Circuit
	Terminations		1,390	1,572	1,231	1,168	1,340	1,304		
	Pending		1,560	1,370	1,442	1,491	1,652	1,507		
	Percent Change in Total Filings Current Year Over Earlier Year		-18.5	-15.2	-9.8	-3.8	-20.9			
Number of Judgeships			3	3	3	3	3	3	90	9
Vacant Judgeship Months <sup>2</sup>			10.2	3.0	23.0	24.0	24.0	15.9		
Actions per Judgeship	Filings	Total	482	464	436	409	497	393	69	8
		Civil	388	370	359	306	369	312	48	7
		Criminal Felony	75	69	59	81	105	62	72	9
		Supervised Release Hearings	19	25	18	22	23	19	72	7
	Pending Cases <sup>2</sup>		520	457	481	497	551	502	42	5
	Weighted Filings <sup>2</sup>		433	429	390	384	465	354	70	9
	Terminations		463	524	410	389	447	435	64	7
	Trials Completed		22	19	15	19	21	29	11	1
	Median Time (Months)	From Filing to Disposition	Criminal Felony	8.8	9.5	9.7	9.7	8.9	9.7	48
Civil <sup>2</sup>			10.6	8.7	9.2	9.7	10.1	10.6	68	8
From Filing to Trial <sup>2</sup> (Civil Only)		-	-	-	-	-	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		76 6.1	78 7.4	96 8.6	104 9.5	126 10.9	174 15.2	78	8
	Average Number of Felony Defendants Filed per Case		1.3	1.5	1.4	1.4	1.4	1.1		
	Jurors	Avg. Present for Jury Selection	55.8	41.4	39.3	37.7	40.7	49.5		
		Percent Not Selected or Challenged	52.9	29.8	33.2	29.8	23.3	32.0		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	937	36	12	417	6	12	26	69	63	7	223	-	66
Criminal <sup>1</sup>	187	11	23	40	62	17	7	7	1	4	1	4	10

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## ALABAMA SOUTHERN

ALABAMA SOUTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,177	1,131	1,171	1,126	1,101	1,213	U.S.	Circuit		
	Terminations		1,299	1,108	1,115	1,181	1,052	1,066				
	Pending		889	917	969	912	939	1,079				
	Percent Change in Total Filings Current Year Over Earlier Year		3.1	7.3	3.6	7.7	10.2					
Number of Judgeships			3	3	3	3	3	3	24	2		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	3.8	12.0	24.0	2.9				
Actions per Judgeship	Filings	Total	392	377	390	375	367	404			67	7
		Civil	211	219	232	202	190	197			79	9
		Criminal Felony	138	113	113	113	124	141			22	2
		Supervised Release Hearings	44	45	46	60	52	66			21	1
	Pending Cases <sup>2</sup>		296	306	323	304	313	360	74	9		
	Weighted Filings <sup>2</sup>		384	347	352	337	350	375	62	8		
	Terminations		433	369	372	394	351	355	77	9		
	Trials Completed		29	18	16	21	17	29	11	1		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	6.4	6.0	6.7	7.1	6.4	5.9	10	2	
Civil <sup>2</sup>			8.6	7.8	8.0	9.2	8.7	9.7	52	7		
From Filing to Trial <sup>2</sup> (Civil Only)		18.1	-	-	21.3	-	-	-	-			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		23 4.7	25 4.6	32 5.4	21 4.0	20 3.8	27 4.4	19	4		
	Average Number of Felony Defendants Filed per Case		1.4	1.3	1.3	1.3	1.2	1.3				
	Jurors	Avg. Present for Jury Selection	45.1	9.0	37.5	50.9	46.8	43.4				
		Percent Not Selected or Challenged	35.1	33.2	26.7	30.7	41.7	23.7				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	591	56	12	123	2	9	21	67	141	7	90	-	63
Criminal <sup>1</sup>	423	8	135	56	153	24	13	15	-	6	-	-	13

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## FLORIDA NORTHERN

FLORIDA NORTHERN			12-Month Periods Ending					
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019
Overall Caseload Statistics	Filings <sup>1</sup>		2,188	2,367	2,508	2,532	3,616	4,336
	Terminations		2,381	2,308	2,281	2,469	2,357	2,218
	Pending		1,874	1,929	2,154	2,231	3,475	5,579
	Percent Change in Total Filings Current Year Over Earlier Year		98.2	83.2	72.9	71.2	19.9	
	Number of Judgeships		4	4	4	4	4	4
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	6.0	19.7	24.0	24.0
Actions per Judgeship	Filings	Total	547	592	627	633	904	1,084
		Civil	452	490	519	535	793	969
		Criminal Felony	66	72	65	63	72	84
		Supervised Release Hearings	30	30	43	35	39	31
	Pending Cases <sup>2</sup>		469	482	539	558	869	1,395
	Weighted Filings <sup>2</sup>		472	549	537	530	709	728
	Terminations		595	577	570	617	589	555
	Trials Completed		29	31	36	33	32	24
	Median Time (Months)	From Filing to Disposition	Criminal Felony	6.3	6.5	7.2	7.2	7.2
Civil <sup>2</sup>			7.4	7.1	7.9	7.5	7.7	6.8
From Filing to Trial <sup>2</sup> (Civil Only)		15.1	16.5	17.7	24.6	23.0	35.8	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		47 3.0	53 3.4	51 2.8	64 3.4	62 2.0	68 1.3
	Average Number of Felony Defendants Filed per Case		1.3	1.4	1.4	1.3	1.4	1.2
	Jurors	Avg. Present for Jury Selection	34.9	32.3	34.0	34.4	36.8	32.4
		Percent Not Selected or Challenged	28.0	22.7	17.1	18.3	16.1	18.5

Numerical  
Standing  
Within

U.S.	Circuit
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9	1
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6	1
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4	1
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53	6
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52	3
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4	1
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9	2
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27	4
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21	3
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13	4
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16	4
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50	4
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2	1
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## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	3,875	37	2,145	749	13	9	95	130	288	15	322	1	71
Criminal <sup>1</sup>	336	-	102	68	87	34	5	19	1	8	1	3	8

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## FLORIDA MIDDLE

FLORIDA MIDDLE			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		10,314	10,352	10,998	10,617	10,491	10,775	U.S.	Circuit
	Terminations		10,683	10,932	10,490	11,620	10,717	10,871		
	Pending		9,072	8,597	9,161	8,336	8,271	8,261		
	Percent Change in Total Filings Current Year Over Earlier Year		4.5	4.1	-2.0	1.5	2.7			
Number of Judgeships			15	15	15	15	15	15	47	5
Vacant Judgeship Months <sup>2</sup>			20.4	0.9	23.0	24.0	34.0	32.0		
Actions per Judgeship	Filings	Total	688	690	733	708	699	718	15	3
		Civil	565	567	608	574	554	579	12	4
		Criminal Felony	95	96	96	99	109	108	33	4
		Supervised Release Hearings	27	28	29	36	37	31	52	3
	Pending Cases <sup>2</sup>		605	573	611	556	551	551	34	3
	Weighted Filings <sup>2</sup>		588	619	619	595	610	648	13	3
	Terminations		712	729	699	775	714	725	11	1
	Trials Completed		19	20	19	18	19	16	48	8
	Median Time (Months)	From Filing to Disposition	Criminal Felony	7.3	7.0	7.4	7.4	6.9	6.9	12
Civil <sup>2</sup>			7.7	8.3	6.8	7.3	6.3	6.0	9	2
From Filing to Trial <sup>2</sup> (Civil Only)		24.7	21.7	21.3	24.7	21.7	22.3	16	2	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		1,193 16.1	438 6.4	422 5.7	307 4.6	364 5.6	387 6.0	35	6
	Average Number of Felony Defendants Filed per Case		1.2	1.3	1.3	1.3	1.3	1.3		
	Jurors	Avg. Present for Jury Selection	37.2	38.1	35.9	37.0	45.5	45.1		
		Percent Not Selected or Challenged	28.9	27.3	23.7	26.0	36.0	34.9		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	8,682	638	276	1,891	14	85	979	1,046	599	455	1,286	7	1,406
Criminal <sup>1</sup>	1,619	6	640	401	187	164	16	91	19	43	8	16	28

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## FLORIDA SOUTHERN

FLORIDA SOUTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		11,467	11,782	12,638	12,314	11,856	13,051	U.S.	Circuit		
	Terminations		11,229	12,165	12,187	12,651	11,982	12,916				
	Pending		7,025	6,595	7,051	6,667	6,551	6,735				
	Percent Change in Total Filings Current Year Over Earlier Year		13.8	10.8	3.3	6.0	10.1					
Number of Judgeships			18	18	18	18	18	18	25	3		
Vacant Judgeship Months <sup>2</sup>			31.9	12.7	12.0	27.7	58.9	55.1				
Actions per Judgeship	Filings	Total	637	655	702	684	659	725			14	2
		Civil	486	500	538	515	496	584			11	3
		Criminal Felony	128	133	137	138	134	112	31	3		
		Supervised Release Hearings	23	22	27	32	28	29	55	5		
	Pending Cases <sup>2</sup>		390	366	392	370	364	374	68	8		
	Weighted Filings <sup>2</sup>		647	677	694	679	679	765	7	1		
	Terminations		624	676	677	703	666	718	13	2		
	Trials Completed		24	26	28	25	25	22	27	4		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	5.7	5.3	5.3	5.4	5.3	5.2	6	1	
Civil <sup>2</sup>			4.6	4.7	4.3	4.1	4.1	3.7	2	1		
From Filing to Trial <sup>2</sup> (Civil Only)		16.4	21.4	17.2	17.0	14.9	18.3	4	1			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		111 2.2	114 2.5	107 2.1	93 2.0	96 2.1	121 2.4	5	3		
	Average Number of Felony Defendants Filed per Case		1.5	1.5	1.4	1.5	1.4	1.3				
	Jurors	Avg. Present for Jury Selection	49.0	46.6	45.6	45.4	43.1	45.0				
		Percent Not Selected or Challenged	22.0	21.3	18.8	20.1	18.0	19.1				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	10,505	173	147	994	19	95	1,243	1,790	1,171	545	2,864	19	1,445
Criminal <sup>1</sup>	2,005	18	495	479	220	461	70	68	3	41	20	55	75

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## GEORGIA NORTHERN

GEORGIA NORTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		6,063	6,204	6,441	6,573	8,045	7,503	U.S.	Circuit		
	Terminations		6,001	5,990	6,025	6,702	6,983	6,741				
	Pending		5,024	5,220	5,628	5,484	6,547	7,258				
	Percent Change in Total Filings Current Year Over Earlier Year		23.8	20.9	16.5	14.1	-6.7					
Number of Judgeships			11	11	11	11	11	11	78	8		
Vacant Judgeship Months <sup>2</sup>			36.0	14.5	12.0	15.0	24.0	21.6				
Actions per Judgeship	Filings	Total	551	564	586	598	731	682			17	4
		Civil	465	487	504	528	647	601			9	2
		Criminal Felony	67	60	64	53	67	63	71	8		
		Supervised Release Hearings	19	18	18	17	17	18	76	8		
	Pending Cases <sup>2</sup>		457	475	512	499	595	660	23	2		
	Weighted Filings <sup>2</sup>		488	506	534	534	632	614	17	4		
	Terminations		546	545	548	609	635	613	17	3		
	Trials Completed		21	21	20	23	19	17	44	7		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	10.1	9.2	10.2	9.7	10.7	8.5	32	7	
Civil <sup>2</sup>			6.5	6.7	6.3	5.8	6.6	6.5	12	3		
From Filing to Trial <sup>2</sup> (Civil Only)		29.8	29.8	29.9	30.3	24.8	29.4	35	3			
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		95 2.4	137 3.3	250 5.5	437 10.0	83 1.6	121 2.0	3	2		
	Average Number of Felony Defendants Filed per Case		1.4	1.4	1.6	1.4	1.5	1.4				
	Jurors	Avg. Present for Jury Selection	40.1	34.9	37.0	38.9	34.1	34.4				
		Percent Not Selected or Challenged	37.2	28.7	31.9	30.7	26.7	37.8				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	6,612	326	1,171	923	37	736	355	531	519	158	976	1	879
Criminal <sup>1</sup>	693	6	178	105	128	133	15	43	1	22	7	17	38

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."



## U.S. District Court — Judicial Caseload Profile

## GEORGIA MIDDLE

GEORGIA MIDDLE			12-Month Periods Ending						Numerical Standing Within	
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019		
Overall Caseload Statistics	Filings <sup>1</sup>		1,888	1,758	1,974	1,944	1,808	1,783	U.S.	Circuit
	Terminations		1,810	1,786	1,871	2,012	1,953	1,931		
	Pending		1,830	1,801	1,900	1,833	1,715	1,603		
	Percent Change in Total Filings Current Year Over Earlier Year		-5.6	1.4	-9.7	-8.3	-1.4			
Number of Judgeships			4	4	4	4	4	4	61	7
Vacant Judgeship Months <sup>2</sup>			2.6	4.6	0.0	9.9	8.1	0.0		
Actions per Judgeship	Filings	Total	472	440	494	486	452	446	58	6
		Civil	374	324	382	374	334	326	45	6
		Criminal Felony	85	105	95	97	101	107	35	5
		Supervised Release Hearings	13	11	17	15	18	13	81	9
	Pending Cases <sup>2</sup>		458	450	475	458	429	401	62	7
	Weighted Filings <sup>2</sup>		359	399	407	417	405	412	55	6
	Terminations		453	447	468	503	488	483	44	6
	Trials Completed		16	16	19	14	16	14	59	9
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.7	8.5	11.1	11.3	10.4	10.7	61
Civil <sup>2</sup>			9.9	12.1	13.5	12.0	9.7	8.3	29	5
From Filing to Trial <sup>2</sup> (Civil Only)		25.4	24.4	24.5	20.8	32.0	-	-	-	
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		26 1.8	53 3.9	37 2.6	37 2.8	49 4.2	59 5.6	31	5
	Average Number of Felony Defendants Filed per Case		1.4	1.5	2.0	1.7	1.4	1.6		
	Jurors	Avg. Present for Jury Selection	51.5	79.2	20.8	33.1	40.6	48.3		
		Percent Not Selected or Challenged	42.1	62.4	42.6	35.8	38.2	39.5		

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	1,305	79	27	609	6	12	59	74	120	8	186	-	125
Criminal <sup>1</sup>	425	56	142	44	87	35	7	19	2	6	2	13	12

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

## U.S. District Court — Judicial Caseload Profile

## GEORGIA SOUTHERN

GEORGIA SOUTHERN			12-Month Periods Ending						Numerical Standing Within			
			Jun 30 2014	Jun 30 2015	Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019				
Overall Caseload Statistics	Filings <sup>1</sup>		1,664	1,561	1,632	1,466	1,665	1,677	U.S.	Circuit		
	Terminations		1,599	1,693	1,457	1,660	1,499	1,510				
	Pending		1,366	1,237	1,406	1,213	1,389	1,544				
	Percent Change in Total Filings Current Year Over Earlier Year		0.8	7.4	2.8	14.4	0.7					
Number of Judgeships			3	3	3	3	3	3	55	6		
Vacant Judgeship Months <sup>2</sup>			0.0	0.0	0.0	4.0	12.0	1.9				
Actions per Judgeship	Filings	Total	555	520	544	489	555	559			27	5
		Civil	359	374	377	338	351	330			44	5
		Criminal Felony	142	97	120	111	160	182	12	1		
		Supervised Release Hearings	53	49	47	40	44	47	29	2		
	Pending Cases <sup>2</sup>		455	412	469	404	463	515	39	4		
	Weighted Filings <sup>2</sup>		523	457	465	429	497	538	28	5		
	Terminations		533	564	486	553	500	503	42	5		
	Trials Completed		46	41	39	23	23	21	30	5		
	Median Time (Months)	From Filing to Disposition	Criminal Felony	9.7	7.3	7.0	8.3	7.7	7.5	18	6	
Civil <sup>2</sup>			9.4	9.4	10.1	9.5	8.5	8.4	32	6		
From Filing to Trial <sup>2</sup> (Civil Only)		22.5	-	-	-	-	-	-	-	-		
Other	Number (and %) of Civil Cases Over 3 Years Old <sup>2</sup>		32 3.8	34 3.8	44 4.4	54 6.7	64 7.2	81 8.5	52	7		
	Average Number of Felony Defendants Filed per Case		1.8	1.3	1.6	1.4	1.4	1.6				
	Jurors	Avg. Present for Jury Selection	41.7	52.2	42.6	46.6	43.7	40.9				
		Percent Not Selected or Challenged	36.3	40.8	46.6	48.3	37.8	31.8				

## 2019 Civil Case and Criminal Felony Defendant Filings by Nature of Suit and Offense

Type of	Total	A	B	C	D	E	F	G	H	I	J	K	L
Civil	989	42	24	449	9	34	33	55	107	11	140	1	84
Criminal <sup>1</sup>	545	4	232	56	151	35	10	26	1	8	7	-	15

NOTE: Criminal data in this profile count defendants rather than cases and therefore will not match previously published numbers.

<sup>1</sup> Filings in the "Overall Caseload Statistics" section include criminal transfers, while filings by "Nature of Offense" do not.<sup>2</sup> See "Explanation of Selected Terms."

**CERTIFICATE OF SERVICE**

The undersigned counsel hereby certifies that true and correct copies of the foregoing document were caused to be served on October 15, 2019 on the following counsel in the manner indicated:

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Dated: October 15, 2019

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